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Dear Lyndon

Proposed modifications to the Applications and Queuing Policy

Western Power is seeking to modify its Applications and Queuing Policy (AQP) under section 4.41A of the Electricity Networks Access Code 2004 (Access Code). The proposed modifications aim to better meet the Access Code objectives. They address a range of issues that have been identified by queue applicants, other stakeholders and raised by the Economic Regulation Authority (Authority).

Western Power's proposal to the Authority is enclosed. Revised versions of the AQP are appended to the submission as both a "clean" version and with mark ups from the current approved AQP.

Western Power is keen to assist the Authority to conduct a constructive and informed review process. Any queries in relation to this proposal should be addressed to Patrick Ragan on (08) 9326 4891.

Yours sincerely



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Proposed mid-term revisions to the Applications and Queuing Policy



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1 Proposal Background

This is Western Power's proposal to the Economic Regulation Authority (**Authority**) seeking the Authority's approval under Chapter 4 of the Electricity Networks Access Code 2004 (**Access Code**) to modify the Applications and Queuing Policy (**AQP**).

Western Power is seeking to modify the AQP, under section 4.41A of the Access Code, to address a range of issues that have been identified by queue applicants, other stakeholders and regulatory bodies and so as to ensure that the policy better meets the Code objectives.

The structure of this document is as follows:

- section 2 sets out the objectives of the review and relevant section of the Access Code under which Western Power is seeking to modify the AQP and the reasons for Western Power seeking to modify the AQP at this time; and
- section 3 sets out the proposed changes to the AQP and explains how the proposed changes comply with the Access Code.

The background and rationale for the changes is described in more detail in Western Power's consultation proposal document (the Consultation Proposal), which was published for consultation in December 2009¹. This document is attached as appendix 1.

Submissions received by Western Power, from Verve Energy and Wind Prospect, following the publication of the Consultation Proposal are attached as appendix 2.

The current submission is substantially to implement the proposal first developed by Western Power in late 2009, with some implementation detail added based on further consideration by Western Power following the consultation process. The proposed changes to the AQP are marked in the draft revised policy that is attached as appendix 3 (tracked version).

Appendix 4 contains a clean version of the AQP, submitted for the Authority's approval.

¹ *Proposed Revisions to the Applications and Queuing Arrangements for access to the South West Interconnected Network*, Western Power (December 2009)

2 Basis for proposal

2.1 Objectives of review

The overarching objective is set out in section 2.1 of the Access Code, which all parties are to have regard to in performing functions under the Code:

The objective of this Code ("Code objective") is to promote the economically efficient:

a) investment in; and

b) operation of and use of,

networks and services of networks in Western Australia in order to promote competition in markets upstream and downstream of the networks.

In developing the proposed changes to the AQP, Western Power has taken explicit account of the overall Code objective by formulating an objective and criteria by which the proposed revision of the AQP has been assessed. That objective was defined in the Consultation Proposal² and a similarly-worded objective has been inserted into the draft revised AQP³, where Western Power considers it will assist with interpretation and with any future revisions to the policy. The proposed objective is as follows:

The objectives of this applications and queuing policy are:

a) To provide an equitable, transparent and efficient process for assessing the suitability of plant and equipment to connect to Western Power's network and to make access offers based on that assessment; and

b) To undertake assessments and to provide shared network access offers that facilitate access by generators and loads to the WA Electricity Market (WEM) on an economically efficient and non-discriminatory basis that is consistent with WEM requirements, and uses a process that is equitable, transparent and efficient; and

c) Where feasible and cost-effective, to facilitate joint solutions for connection applications.

2.2 Access Code provisions for revision during an access arrangement

Chapter 4 of the Access Code allows for a service provider to propose revisions to the Access Arrangement during an access arrangement period and sets out the criteria for the Authority to consider when approving a proposal to revise the Access Arrangement. The relevant sections of the Access Code are reproduced below:

Other revisions during an access arrangement period

4.41A *Subject to section 4.42, if the service provider proposes revisions other than when it is required to do so under this Code and in circumstances where sections 4.38 and 4.41 do not apply, the Authority may by notice to a service provider vary its access arrangement in accordance with the proposed revisions.*

Mid-period revisions do not necessarily involve full review

² Ibid, sections 3.2.3 and 3.2.4

³ Clause 1.2

4.41B *In considering and implementing revisions under sections 4.38, 4.41 or 4.41A, the Authority is not obliged to undertake a complete review of the proposed revised access arrangement such as would occur under section 4.52.*

Procedure for amendments under sections 4.41 and 4.41A

4.42 *Before giving a notice under section 4.41 or 4.41A, the Authority must determine whether the advantages of varying the access arrangement under section 4.41 or 4.41A (as applicable) outweigh the disadvantages, in particular the disadvantages associated with decreased regulatory certainty and increased regulatory cost and delay.*

4.43 *Before giving a notice under section 4.41 or 4.41A, the Authority:*

- (a) *must consult the public under Appendix 7, unless, in the Authority's opinion, the proposed variations are not material and will not result in a material change to a reference tariff, a reference service, a standard access contract or the rights of any applicant, in which case the Authority may consult the public under Appendix 7; and*
- (b) *must consult the service provider.*

4.44 *The Authority must publish a notice given under section 4.41 or 4.41A..*

2.3 2009 Annual Wholesale Electricity Market Discussion Paper

On 15 July 2009 the Authority released its discussion paper on the 2009 Annual Wholesale Electricity Market Report for the Minister of Energy⁴. The Authority considered that the:

...first-come first-served queuing rules under the applications and queuing policy, in combination with the structure of the wholesale electricity market and reserve capacity mechanism, do not serve to promote efficient investment in the electricity network.

The Authority recognised that the deficiency would require changes to the AQP and that other changes including to market arrangements and network planning processes would also assist.

2.4 AEMC review of WA market framework

In September 2009 the AEMC published a Final Report⁵ on a review of energy market frameworks in light of climate change policy. This review included a specific review of the WA market framework. While it is focused on climate change policies, the report makes comments and recommendations relevant to connection and access agreements. The following specific recommendation directly relevant to the AQP was made:⁶

⁴ Economic Regulation Authority, 15 July 2009, Discussion Paper: Annual Wholesale Electricity Market Report for the Minister for Energy, Available from: <http://www.era.wa.gov.au/cproot/7765/2/20090715%20Discussion%20Paper%20-%20Annual%20Wholesale%20Electricity%20Market%20Report%20to%20the%20Minister%20for%20Energy.pdf>

⁵ Review of Energy Market Frameworks in light of Climate Change Policies, Final Report; AEMC (30 September 2009).

⁶ Ibid page 137

The connections applications process should be modified in a number of ways, through the release of more information to the market, segregating applications in the connections queue on a regional basis, and potentially restructuring the connection application charge regime. The release of queue information is already under consideration, and should be implemented quickly.

The Commission also stated that:

By providing offers on a common basis to generators that are equivalent in terms of location, an efficient generation development sequence would be facilitated.

Similarly the Commission suggested formalising the processes for charging for shared connections so that:

...multiple smaller generators would be more likely to be developed in a reasonable approximation of a least cost sequence.

Western Power's access charging regime, including its contributions policy, allows for charging to concurrent applicants and also for charging on an equivalent basis to future applicants that can benefit from a capital-contributed augmentation. Western Power considers that the matters raised by the AEMC are addressed through the application of the contributions policy in conjunction with the revised AQP which will provide greater scope for applicants to be considered concurrently.

2.5 Review process

Western Power has undertaken formal consultation on the proposed revisions to the AQP. The consultation process has given stakeholders the opportunity to provide submissions and discuss their view and issues at public forums and in response to documents published by Western Power. Written submissions have been sought on the proposed changes and the views expressed in the submissions received have been taken into account when finalising the revised AQP.

Consultation undertaken has included the following:

- On 10th August 2009, Western Power released a Discussion Paper in which the issues relating to the AQP were articulated and a series of initial proposals was offered for discussion.
- On 17th August Western Power held a "Queuing Forum". A number of stakeholders attended the forum and stakeholders were provided the opportunity to provide written submissions by 7th September 2009.
- Taking into account the views expressed by stakeholders Western Power prepared a Consultation Proposal which set out the issues arising with the current policy, the objectives of the review, and the proposed changes. Western Power published the Consultation proposal in December 2009.
- Two submissions were received by Western Power both generally supportive of the proposal set out in the consultation paper. The points made and views expressed in these submissions have been taken into account in developing the revised AQP.
- Having developed the specific AQP changes required to implement the revised policy, Western Power held a further Public Forum on 25th November 2010 attended by approximately 40 energy industry stakeholders. Feedback from that forum has been incorporated in the revised AQP presented with this submission.

2.6 Overview of the proposed revisions

2.6.1 Summary of revisions

In the December 2009 consultation paper Western Power set out, and consulted, on its proposed revisions to the AQP. The main components of the draft Consultation Proposal were:

- a formal enquiry stage that enables a participant to gain initial information on a project prior to lodging an application;
- a fast track path for applications that are not subject to constraints on the shared network and can therefore move through to local connection;
- identification of projects that are competing for limited shared network capacity and the placing of those projects in “Competing Applications Groups” (CAGs);
- a shared network planning process that involves developing joint solutions where possible, to meet the combined needs of network-constrained applicants (that is, those that are in a CAG) in a more efficient and more equitable manner than generally occurs when solutions are developed sequentially to meet the needs of individual applicants;
- a process for identifying non network solutions and provisions for applicant-specific solutions so as to retain current options and alternatives to the shared network planning process above, where this meets the needs of the applicant and of Western Power;
- a process that manages the progress of applications out of a CAG in an orderly and efficient manner through provision of equivalent offers such that, through acceptance or otherwise by the applicants, those projects that are commercially ready and viable have the opportunity to proceed whilst those that are not ready or not viable do not hinder other projects; and
- a connection offer process that is more likely (than processes under the current policy) to lead to the connection of projects in a manner that delivers economically efficient outcomes for the state.

The proposed revisions set out in the December 2009 Consultation Proposal have been developed further and in sufficient detail to enable the development and submission for approval of the attached draft revised AQP. The proposed revisions to the AQP would implement a policy that is substantially the same as was set out in the December Consultation Proposal, with some further development of and modification to implementation specifics and to some terminology.

2.6.2 Outcomes from the proposed AQP

Western Power considers that the revised AQP:

1. will lead to more efficient development of generation plant and more strategic development of the Western Power network because:
 - i. competing applicants will be made concurrent offers, and it is therefore more likely that the most economically efficient generation will be proceed; and
 - ii. the policy will require joint network development solutions to be developed that are more likely to meet the needs of multiple and future applicants;
2. will be more equitable than the current process because:

- i. the process will be a function of applicants' ability to provide the required information at the required times; and
 - ii. competing applications will receive the same offers;
3. will promote competition and therefore better meet the Code objective through more efficient development of generation plant, more efficient investment in transmission augmentation, and because it will better support the making of concurrent offers to competing generators;
4. will manage the transition of existing projects by adopting and further developing the concept of "competing applications" that already exists under the current AQP; and
5. will better accommodate future market changes (if they occur e.g. to the unconstrained planning policy and WEM 'road map' outcomes) because those parts of the policy that are a function of these market policies are modularised rather than pervading the whole of the AQP.

In developing proposed revised AQP Western Power has focused on two areas:

- changes to the offer process, so that access offers will better facilitate the development of the most economic generation projects without creating a distortionary value to queue position; and
- changes to the network project assessment process so that shared network augmentation requirements can be efficiently assessed and planned.

Other aspects of the proposed changes are intended to make the application and queuing process itself more equitable, transparent and efficient.

2.7 Need for changes to be considered at this time

Western Power considers that the proposed revisions to the AQP should be implemented as soon as possible. This view has been taken because:

- consultation to date has shown that there is strong support for changes to be made to certain aspects of the AQP and has confirmed that the existing issues have been appropriately identified;
- if left unchanged, the current AQP process will continue to distort the basis on which new generation projects can compete in the WEM;
- both the ERA and the AEMC have expressed concerns regarding the current AQP including adverse impacts on the WEM and on the commissioning of future renewable energy projects;
- Western Power faces significant challenge in undertaking applicant studies in accordance with the current policy and this is leading to delays and costs that are ultimately worn by applicants;
- Western Power has identified aspects of the current AQP that lead to the use of discretion when managing the queue. Western Power considers that a process that requires Western Power to exercise judgment over an applicant's readiness to progress is inappropriate and introduces risk both to applicants and to Western Power; and
- it is likely that network augmentation solutions will be proposed for a number of the main network constraints. This increases the urgency for an improved process for offering connection to such applicants.

The benefits of the revised AQP in terms of reduced study costs to applicants, shorter processing time-frames for applicants, generally lower long-term per-unit costs for network augmentation, improved utilisation of existing network capacity and lower-cost generation for the benefit of the State, will be realised only once the revised policy is operational. Western Power believes that those benefits are considerable and that delay in implementing the revised policy will see a corresponding ongoing lost opportunity.

Accordingly, Western Power is submitting the proposed changes as a mid-term revision to the Applications and Queuing Policy, pursuant to clause 4.41A of the Access Code.

3 Western Power's proposed changes to the AQP

3.1 Requirements of Access Code to be applied in considering revisions

Chapter 5 of the Access Code sets out requirements for the AQP which the Authority must consider when approving a proposal to revise the AQP. The relevant sections of the Access Code are reproduced below.

3.1.1 Applications and queuing policy

5.7 *An applications and queuing policy must:*

- (a) *to the extent reasonably practicable, accommodate the interests of the service provider and of users and applicants; and*
 - (b) *be sufficiently detailed to enable users and applicants to understand in advance how the applications and queuing policy will operate; and*
 - (c) *set out a reasonable timeline for the commencement, progressing and finalisation of access contract negotiations between the service provider and an applicant, and oblige the service provider and applicants to use reasonable endeavours to adhere to the timeline; and*
 - (d) *oblige the service provider, subject to any reasonable confidentiality requirements in respect of competing applications, to provide to an applicant all commercial and technical information reasonably requested by the applicant to enable the applicant to apply for, and engage in effective negotiation with the service provider regarding, the terms for an access contract for a covered service including:*
 - (i) *information in respect of the availability of covered services on the covered network; and*
 - (ii) *if there is any required work:*
 - A. *operational and technical details of the required work; and*
 - B. *commercial information regarding the likely cost of the required work;*
- and*
- (e) *set out the procedure for determining the priority that an applicant has, as against another applicant, to obtain access to covered services, where the applicants' access applications are competing applications; and*
 - (f) *to the extent that contestable consumers are connected at exit points on the covered network, contain provisions dealing with the transfer of capacity associated with a contestable consumer from the user currently supplying the contestable consumer ("outgoing user") to another user or an applicant ("incoming user") which, to the extent that it is applicable, are consistent with and facilitate the operation of any customer transfer code; and*
 - (g) *establish arrangements to enable a user who is:*
 - (i) *a 'supplier of last resort' as defined in section 67 of the Act to comply with its obligations under Part 5 of the Act; and*

- (ii) a 'default supplier' under regulations made in respect of section 59 of the Act to comply with its obligations under section 59 of the Act and the regulations; and
- (h) facilitate the operation of Part 9 of the Act, any enactment under Part 9 of the Act and the 'market rules' as defined in section 121(1) of the Act; and
- (i) if applicable, contain provisions setting out how access applications (or other requests for access to the covered network) lodged before the start of the relevant access arrangement period are to be dealt with.

{Note: For the first access arrangement period section 5.7(i) would apply in respect of access applications or requests for access lodged under any prior access regime such as the regimes established under the Electricity Transmission Regulations 1996 (WA) and Electricity Distribution Regulations 1997 (WA). For subsequent access arrangement periods it would apply in respect of access applications lodged in a prior access arrangement period.}

5.8 The paragraphs of section 5.7 do not limit each other.

5.9 Under section 5.7(e), the applications and queuing policy may:

- (a) provide that if there are competing applications, then priority between the access applications is to be determined by reference to the time at which the access applications were lodged with the service provider, but if so the applications and queuing policy must:
 - (i) provide for departures from that principle where necessary to achieve the Code objective; and
 - (ii) contain provisions entitling an applicant, subject to compliance with any reasonable conditions, to:
 - A. current information regarding its position in the queue; and
 - B. information in reasonable detail regarding the aggregated capacity requirements sought in competing applications ahead of its access application in the queue; and
 - C. information in reasonable detail regarding the likely time at which the access application will be satisfied;

and

- (b) oblige the service provider, if it is of the opinion that an access application relates to a particular project or development:
 - (i) which is the subject of an invitation to tender; and
 - (ii) in respect of which other access applications have been lodged with the service provider, ("project applications") to, treat the project applications, for the purposes of determining their priority, as if each of them had been lodged on the date that the service provider becomes aware that the invitation to tender was announced.

5.9A If:

- (a) an access application (the "first application") seeks modifications to a contract for services; and
- (b) the modifications, if implemented, would not materially impede the service provider's ability to provide a covered service sought in one or more other access applications (each an "other application") compared with what the position would be if the modifications were not implemented,

then the first application is not, by reason only of seeking the modifications, a competing application with the other applications.

5.10 *An applications and queuing policy may:*

- (a) be based in whole or in part upon the model applications and queuing policy, in which case, to the extent that it is based on the model applications and queuing policy, any matter which in the model applications and queuing policy is left to be completed in the access arrangement, must be completed in a manner consistent with:*
 - (i) any instructions in relation to the matter contained in the model applications and queuing policy; and*
 - (ii) sections 5.7 to 5.9;*
 - (iii) the Code objective;*

and

- (b) be formulated without any reference to the model applications and queuing policy and is not required to reproduce, in whole or in part, the model applications and queuing policy.*

{Note: The intention of this section 5.10(b) is to ensure that the service provider is free to formulate its own applications and queuing policy which complies with sections 5.7 to 5.9 but is not based on the model applications and queuing policy.}

5.11 *The Authority:*

- (a) must determine that an applications and queuing policy is consistent with sections 5.7 to 5.9 and the Code objective to the extent that it reproduces without material omission or variation the model applications and queuing policy; and*
- (b) otherwise must have regard to the model applications and queuing policy in determining whether the applications and queuing policy is consistent with sections 5.7 to 5.9 and the Code objective.*

3.2 Proposed revisions to the Applications and Queuing Policy

The proposed revisions to the AQP are shown in the marked version attached at appendix 3. These changes can be summarised under the following headings:

- Defined objective
- Name of policy
- Amendments to definitions
- Enquiry and application commencement
- Competing applications
- Deletion of queue concept
- Applicant-specific solutions
- Fees and costs
- Withdrawal of applications
- Changes to priority dates
- Timeliness

The following sections describe the proposed changes, and how they implement the concept described in the December 2009 Consultation Proposal. Section 3.3 of this

submission demonstrates how each of the revised aspects maintains and/or improves Code compliance.

3.2.1 Defined objective

Applying the AQP involves Western Power making a number of judgments. The revised AQP sets out an objective in clause 1.2 to provide guidance for the implementation of Western Power's more detailed processes and procedures. Western Power considers that there is advantage in having a clearly-stated objective for the policy.

The proposed objective recognises that the AQP should provide an equitable, transparent and efficient process for the connection of new loads and generators and for changes to existing connections. It should promote economically efficient and non-discriminatory access and that, where feasible and cost-effective, it should promote joint solutions for connection applications.

One of the more problematic aspects of the current AQP has been the need to accommodate competing applications, under the WA-specific "unconstrained planning" criteria. One of the significant identified issues with the current policy is that it does not support connection of new generators in the WEM in an economically efficient development sequence, nor does it readily support network development planning on a strategic basis. The revised AQP is intended to alleviate these shortcomings. Accordingly, Western Power considers that there is merit in including these objectives in the revised AQP in order to provide guidance in developing processes and procedure and otherwise interpreting the policy, and as guidance towards any future changes to the policy.

3.2.2 Amendments to definitions

The following definitions require amendment in order to accommodate the revisions (in alphabetical order):

- Application-specific solution – accommodates the concept of a single applicant requesting changes to *shared works* on the basis that the costs will be fully recoverable through tariffs and/or contributions from that applicant;
- Bypass – term deleted. See under Section 3.2.6: Deletion of queue concept;
- Competing applications group – new term required. See under Section 3.2.5: Competing applications
- Connection offer – term deleted. Not used in the AQP or in the revised policy;
- Dormant applications – term deleted. See under Section 3.2.6: Deletion of queue concept;
- Enquiry – new term required. See under Section 3.2.4: Enquiry and application commencement;
- First come first served – term deleted. See under Section 3.2.6: Deletion of queue concept;
- Operational solution – new term required. See under Section 3.2.7: Applicant-specific solution;
- Preliminary access offer – new term required. See under Section 3.2.5: Competing applications;
- Priority – term deleted. See under Section 3.2.6: Deletion of queue concept;

- Priority date – new term required. See under Section 3.2.5: Competing applications;
- Queue – term deleted. See under Section 3.2.6: Deletion of queue concept;
- Queuing rules – term deleted. See under Section 3.2.6: Deletion of queue concept.

3.2.3 Enquiry and application commencement

Enquiry

Western Power considers that there are advantages in formalising the enquiry process. This would bring Western Power into alignment with other markets in this region, such as the NEM and New Zealand⁷. The Enquiry process will provide a formalised but efficient means for Western Power to provide initial information so that the intending applicant can make a better-informed decision as to the nature of their application and how to proceed. Western Power will clarify the required application information that will be required, expediting applications.

Under the revised policy, it will be compulsory to lodge an Enquiry prior to lodging an Application. The intending Applicant may choose to ask Western Power to undertake preliminary studies at this stage. The applicant may also request information from Western Power (which would be provided at the Applicant's cost) in order to commission its own preliminary studies. At the conclusion of the Enquiry stage, Western Power will provide an enquiry response letter which will confirm the information that Western Power will need in an Application. It will also provide the results of any studies requested by the applicant, or the results of any assessment that Western Power has elected to do.

The Enquiry stage is introduced through a minor change to clause 3.2(a) and through clause 18 (which incorporates most aspects of what are currently designated "informal discussions" in the same-numbered clause). A new clause 17A would preserve the pre-enquiry informal discussions previously allowed for in clause 18, but would preclude studies prior to an Enquiry being lodged. An Enquiry fee would be payable (revised clause 18.4), and which Western Power anticipates will be set at a modest level and substantially the same as the current Application Lodgment Fee. Costs for studies requested by the applicant would be payable by the applicant consistent with the current policy.

Application

If an applicant decides to make an application, then they will need to provide the information specified by Western Power in the Enquiry stage. Western Power will assess the application and, once it is deemed to be complete, it will be time-stamped as per current processes. This time-stamp will give the application its Priority Date (a new clause 3.2(c)).

Under the revised policy, the Priority Date will only be used in limited circumstances and will not establish an application's overarching queue position. Importantly, applications that do not compete with other applications will progress unimpeded to an offer.

Western Power will use the Priority Date as its initial basis for prioritizing the commencement of such studies; however these studies could subsequently progress at

⁷ See Western Power December 2009, Appendix A: Applications and queuing policies in other jurisdictions

different rates depending on timeliness of information provision by the applicant and the complexity of the studies. Western Power will make offers to such applicants as soon as it is in a position to do so. Where applications are competing then new application management processes are proposed under this revised policy – see Section 3.2.5. The Priority Date will have a residual role in this process but, unlike the current Queuing concept, would not determine overall priority of an application in relation to all other applications. The processes for dealing with competing applicants are described in Section 3.2.5.

The Application stage is covered in general terms in clause 3 which is unchanged from the current AQP except for the addition of the Enquiry stage and specification of the Priority Date (as above), some minor edit changes and deletion of clause 3.13(d) (See Section 3.8: Fees). Clauses relating to Electricity Transfer Applications (Part B) are unchanged. Connection Application processes are further described in clauses 16 (types of applications), 17 (lead times), 19 (reporting) and 20 (costs). Clauses 16 and 17 are unchanged.

Clause 19.1(a)(iii) referred to Western Power needing to give notice to an applicant as to whether the application required Western Power to give notice of bypass to another applicant. This sub-clause is deleted with the removal of the concept of bypass from the revised policy.

Clause 19.3 has been modified by the insertion of an additional clause (19.3(a2)) that clarifies that in its preliminary assessment Western Power would assess the impact of the applicant on the network and other users, and consider the need to assign the applicant to an existing Competing Applications Group, or to form a new Competing Applications Group as a result of the application.

Clause 19.4 places the onus on applicants to notify any changes in their applications without Western Power having specifically to ask them.

Changes to clause 20: Connection Application Costs, are covered under Section 3.2.7: Fees and Costs.

3.2.4 Competing applications

A significant aspect of the revised policy is the way in which Western Power will handle competing applications. As described in section 3.2.1 above, the revised policy will facilitate strategic development of Western Power's network to meet the needs of multiple applicants on an efficient and equitable basis. This approach will improve the validity and usefulness of network development information for existing and prospective applicants. It will reduce uncertainty for applicants through a transparent and time-boxed process for resolving technically and commercially viable network solutions for groups of such applicants, and will curtail the need for rounds of studies that currently occur as each competing project changes its application or new competing applications are made. It is expected that this will reduce the cost of studies, which are paid for by applicants. The changes will better meet the Code objective of promoting economically efficient investment in networks and supporting connection of new generation in an efficient (and least-cost) manner.

The revised process also obviates the need for certain processes under the queuing rules, such as by-pass and the need for Western Power to assess whether applications should be deemed to be dormant, and will make more efficient use of network study resources which have become a choke-point in the current process as new and revised applications lead to

study “churn” for existing applicants. This reduced churn will in turn lower the study costs incurred by applicants and materially shorten processing times.

Changes resulting from deleting the current queuing process are described in Section 3.2.5. The processes which replace them are shown in the revised Process Diagram in Section 1.1 of the revised AQP and are described in the current sub-section. The revised policy involves the following steps (referenced to the revised AQP):

- Western Power determines if an application is competing with other applications for shared network capacity, in its Preliminary Assessment (clause 19.3(a2)).
- Western Power forms Competing Applications Groups from among applicants (clause 24.1).
- As and when Western Power develops a potential solution involving shared network assets to meet the needs of a Competing Applications Group (in whole or in part), Western Power will notify the applicants in that group of its intention to make a Preliminary Access Offer to all the applicants in that group (clause 24.2).
- Applicants will have the opportunity to respond within 30 business days of such notice, by notifying Western Power whether or not they wish Western Power to make them an offer and by paying a “preliminary offer processing fee” where they wish to be made an offer⁸ (clause 24.3). The response requirement and associated fee will help ensure that offers are made only to applicants with projects that are genuine, viable and where the applicants are confident of their readiness to proceed, pending connection and the required network augmentation. This is important to the integrity of the offer process since withdrawal, non-response or changes by competing applicants once Western Power starts to prepare offers will have flow-on effects to the viability of the contemplated shared network solution and thus to other applicants who stand to benefit from a network solution. If applicants notify Western Power that they do not require a Preliminary Access Offer, or if they fail to respond, then their applications will be deemed to have been withdrawn (clause 24.3).
- Western Power will prepare Preliminary Access Offers to each of the remaining applicants in the group, based on the information in their applications at the time of receiving notice from that applicant (clause 24.4). Offers to all applicants in a competing applications group will be equivalent for an equivalent service (in terms of unit charges and technical requirements) and made simultaneously, providing one of the major efficiency benefits of the revised process: namely, that those projects that are most viable and ready are more likely to self-select commercially while less viable projects are likely to be deferred by the applicants or wound up. At the same time, this aspect of the process creates the opportunity for shared network solutions which can provide access at lower cost than incremental, applicant-specific augmentations, and which removes the artificial value in the current process that may be bestowed by queue position.
 - By way of explanation, Western Power envisages that the Preliminary Access Offers will be conditional, for example, on acceptance by all (or a sufficient number) of applicants and on the necessary regulatory approvals (including the Regulatory Test and pre-NFIT outcomes as applicable) and on financial approvals. They will be provided in good faith on the basis that

⁸ see Section 3.2.7 Fees and Costs

they are capable of forming the substance of subsequent unconditional access offers. The offers will cover apportioned shared network asset augmentation requirements as well as related applicant-specific shallow connection requirements so that the applicant has substantially complete connection information.

- Applicants will be required to respond to Preliminary Access Offers within 30 business days (clause 24.5(a)) by notifying Western Power either that:
 - they would accept a Preliminary Access Offer if it were an access offer,
 - they would not accept such an offer (in which case their application is withdrawn), or
 - they would accept such an offer, subject to specified amendments, in which case the applicant and Western Power have 30 business days to agree to any amendments, after which the application will be deemed to have been withdrawn.
- Once applicants accept a Preliminary Access Offer then within 30 days they will be required to pay a Preliminary Acceptance Fee (clause 24.5(b)). This fee will be credited against further study costs for this solution, and against the network charges and capital contributions that might be payable once connected, based on the respective charges and contributions agreed to in the Preliminary Access Offer. In the event that Western Power is unable to offer access to such party the Preliminary Acceptance Fee will be repaid in full to the applicant. By way of clarification (and without limitation) Western Power envisages that possible reasons why Western Power might be unable to proceed to a firm access offer could include:
 - the preliminary access offer is over-subscribed and the applicant does not have “priority” (see below);
 - the preliminary access offer is under-subscribed and it is not viable for Western Power to proceed with the necessary augmentation;
 - the necessary augmentations do not pass the Regulatory Test, and/or the pre-NFIT assessment by the Regulator differs sufficiently from the assumptions in the preliminary access offers to require material modifications to the offers (which are subsequently rejected by applicants);
 - Western Power is unable to obtain funding or funding approvals from its shareholder; or
 - other applicants that have accepted offers fail to proceed (for example, because they fail to obtain finance), thus making the Preliminary Access Offer unviable.
- If competing applicants accept the preliminary access offers to the level where the Preliminary Access Offer is in effect “fully subscribed” then Western Power will proceed to make firm offers to applicants based substantially on the accepted Preliminary Access Offers (clause 24.6(a)).
- If competing applicants either over- or under-subscribe then clause 24.6(b) makes provision for Western Power to revise offers. By way of clarification, Western Power envisages this as a mechanism by which it can iterate towards a solution that best meets the needs of applicants. For example, Western Power may be able to augment the proposed solution if a Preliminary Access Offer is over-subscribed. Conversely if a Preliminary Access Offer is under-subscribed, Western Power may be able to de-rate the solution or to re-develop the offer to meet the needs of the (reduced) capacity apparently required.

- Finally, if a preliminary access offer is over-subscribed and Western Power is unable to augment the solution or otherwise redevelop the offer to cater for the needs of all accepting applicants, then clause 24.6(c) provides for applicants that have accepted Preliminary Access Offers to be made Access Offers according to their Priority Date.

Western Power has also considered the scenario where a competing applicant may be subject to more than one constraint, in which case Western Power would assign that applicant to more than one Competing Applications Group. If Western Power notifies its intention to make a Preliminary Access Offer that would relieve only one of the relevant constraints then, in line with the process described above, the applicant may wish to make its acceptance of that offer conditional on a solution to other relevant constraints within a defined time-frame. Western Power would normally expect to be able to anticipate this situation and to therefore either provide both solutions at the same time or else to be able to give such applicants a status update on the other constraint(s) that is sufficient for the applicant's purposes. An applicant would not have its application deemed withdrawn nor would it be financially penalized if it was subsequently unable to proceed with its connection because of other constraints still existing.

To enable these policy changes, a new clause (24.7) is added to allow Western Power to manage competing applications groups. These groupings will vary from time to time as (for example) new applications are made, applications are withdrawn, network augmentation projects proceed, or other system changes affect the nature or location of constraints.

Clause 24.8 (Determining the extent of spare capacity) is modeled on clause 24.15 in the current AQP.

Clauses 24.9, 24.10 and 24.11 are modeled on clauses 24.16, 24.17 and 24.11 in the current AQP. The clauses are edited consistent with removal of the queue concept. In addition, sub clause 24.10(a) in the revised AQP (sub clause 24.17(a) in the current AQP) is deleted. This clause referred to provision of information in response to the initial application, but this is already covered in clause 19 (specifically sub-clauses 19.1 and 19.3) and would conflict if retained. Consequently the title of clause 24.10 is modified to refer to updating information.

3.2.5 Deletion of queue concept

The queuing rules in the current AQP were established to deal with competing applications, by establishing the priority of each such application (current AQP clauses 24.1). In the current AQP, priority is given effect through the definition of the "first come first served" principle. This principle is considerably extended from the definition in the Model AQP contained in the Code, and is currently defined so as to prioritise the processing of offers as well as to reserve capacity for earlier applicants and not to make offers to later applicants until earlier applicants have signed access contracts. The queuing rules are applied not only to offers relating to spare capacity but also effectively establish a single-file queue for augmentations, which are developed for the competing applicant heading the queue and for later applicants on the assumption that earlier applicants connect.

Western Power has described the drawbacks of this aspect of the current AQP in its December 2009 Consultation Proposal where it describes the revised process for dealing with competing applications set out in the previous sub-section. Western Power considers that the revised process should wholly replace the current queuing rules. Specifically, the revised process involves:

- Where spare capacity exists and there is not competition for that capacity at the time that Western Power (having undertaken the necessary studies) is capable of making an offer for the use of that capacity, then those applications will (as at present) be provided with offers;
- Where applicants are competing, whether for “spare” capacity (in that their combined requirements exceed that capacity) or for capacity that is yet to be built, those applications will be pooled into competing applications groups as described in the previous subsection. Therefore under the revised AQP, these applications are not in a single-file queue but will be made consistent and comparable offers at the same time. The aspect of the current policy that relates to processing of such applicants in a serial manner is therefore not required;
- All competing applications in a competing applications group will be simultaneously provided with consistent preliminary access offers, obviating the need for by-pass;
- For similar reasons, Western Power does not consider the need remains to assess applications to be dormant in advance of offers being made, since applications remaining in competing applications groups will not hinder Western Power’s development of shared network solutions and therefore the ability to make offers to constrained applicants. Under the competing applications process, those applications that are in effect dormant will have an incentive to opt out at the time that Western Power notifies them that it will prepare Preliminary Access Offers since requesting such offers will require them to pay various fees.

Western Power has considered the queuing rules clause (clause 24) in the current AQP and has made the following changes to reflect the needs described above⁹ :

- The meaning of clause 24.1(a) is retained, in that the revised clause applies only to competing applications;
- Whereas the purpose of the queuing rules as defined in clause 24.1(b) was solely to establish priority, the new clause contains a self-contained mechanism for making offers to competing applicants;
- The application priority concept in clause 24.2 is retained in the definition of Priority Date;
- The concept in the current clause 24.3 of excepting transition applications, that is applications to modify existing connections where those modifications do not impede applications, is retained but shifted to clause 24.12;
- The concept of there being “more than one queue” as defined in clause 24.4, is in effect the kernel of the Competing Applications Group concept in the revised policy;
- Clauses 24.5 to 24.9 provided provisions for Western Power to alter priority such that one applicant would be deemed to by-pass another applicant, and is not required as competing applications will be considered as a group under the revised policy;
- Clauses 24.10 to 24.13 which provided for changes to priority for (respectively) tender projects, concurrent processing of applications and amended applications are retained with minor editing for context in revised clauses 24A.1 to 24A.3 which deals with these arrangements in terms of changes to Priority Dates;

⁹ Unless stated, clause references are to the existing AQP

- Clause 24.14 provided provisions for Western Power to assess applications as dormant, and is not required;
- Clauses 24.15 to 24.17 which covered (respectively) determination of spare capacity, information Western Power is to provide to applicants and requirements for Western Power to update this information, are substantially retained (revised clauses 24.8 to 24.10), with some amendments as described in section 3.2.5.

3.2.6 Applicant-specific solutions

The revised policy is intended to be consistent with Western Power revising its network augmentation processes so that they will over time be largely driven by long-term strategic assessments of requirements, informed (but not solely driven by) connection applications. Nevertheless Western Power considers that there can be circumstances where a single applicant may request connection and may wish to consider (though NUOS and/or contributions) fully covering the cost of any augmentation of the shared network required to facilitate that connection.

This aspect of the revised policy would allow Western Power, if requested by an applicant, to develop an applicant-specific solution and make an offer to the requesting applicant based on that solution. The term 'applicant-specific solution' is defined in clause 2.1 and covers augmentations to the shared network funded solely by the applicant, and operational schemes such as generator run-back or load inter-trips, or some combination of both.

If competing applicants exist and if there is spare capacity created by the applicant-specific solution, then Western Power would notify all competing applicants of its intention to make Preliminary Access Offers relating to that spare capacity. However since the offers would not relate to the whole of such applicants' requirements, any applicants that chose to stand aside from the Preliminary Access Offer process, or who were made such an offer but did not accept it, would not be deemed to have withdrawn their applications.

The provision for applicant-specific solution is in revised clause 20.3. Under clause 20.3 the applicant must fund any necessary study costs. Western Power would make an offer to the applicant based on its network charging and contributions policies as at present.

Clause 20.3 provides for any existing user or competing applicant to object to an applicant-specific solution where the objecting party considers that the solution might impede provision of covered services to it. Western Power could proceed to make an offer of an applicant-specific solution where there is an objection and Western Power evaluates that to do so would impede an existing user or competing application, but can rework an applicant-specific solution to avoid this.

3.2.7 Fees and costs

The following fees and costs will be considered under the revised policy.

Enquiry fee

Western Power envisages that a modest fee, which is substantially the same as the current application lodgement fee, will be charged when an intending applicant lodges an Enquiry. This flat fee is intended to cover (on a standardised basis) the costs of processing the enquiry, including the provision of an enquiry response letter stating the application requirements for that applicant. It would not cover any study costs.

This fee is provided for in clause 18.4 and would not be refundable.

Application fee

Western Power envisages charging an appropriate application fee. This fee is subject to review from time to time and included within the approved Price List. As with the enquiry fee, this flat fee is intended to cover (on a standardised basis) the costs of processing the application, including assigning the application to a competing applications group where this is relevant, and provision of the preliminary responses including a study proposal. The application fee would not cover any study costs.

This fee is currently provided for in clause 7.1, which is retained. Clause 3.13(d) has been modified to clarify that this fee would not be refundable.

Study costs

Payment of study costs by applicants is provided for in clause 20, which is substantially unchanged. As in the current AQP, Western Power would provide study proposals to applicants, who would then either accept the proposal or negotiate to achieve an acceptable outcome. Western Power envisages flexibility, in that applicants could request the provision of certain system data so that they, or their advisors, could undertake the studies themselves and this would be an acceptable option.

A sentence has been added to clause 20.2(b) to provide a time window for acceptance of study proposals, after which applications would be deemed to be withdrawn. Western Power considers that this will help to ensure that queue applications at a given time largely represent bona fide projects and are not “place-holder” applications nor applications that have become dormant (in the general sense of that word).

A new clause 20.3 has been added to cover study costs for applicant-specific study costs.

Clause 20.2(a) requires Western Power to provide good faith estimates of study costs in its study proposals. Western Power keeps account of actual study costs for each applicant and draws against such payments. The current policy does not provide a trigger for a true-up of actual study costs against the original estimate, nor does it contain provisions for additional costs to be levied (although both of these aspects have been assumed in practice). The revised AQP would provide that when an application is withdrawn or when an access offer is made, then Western Power must refund any unspent part of the study costs, but Western Power may (with prior notification to and acceptance by the applicant) may also charge the applicant reasonable costs in excess of the study costs it originally estimated (clause 20.2(e)).

Costs of shared network planning and strategic solution development

Under the revised policy, Western Power would bear the cost of its long-term strategic planning and solution development assessments for shared assets, up until the point where applicants in a Competing Applications Group are notified and accept a preliminary access offer. At that point, the accepting applicants would pay a preliminary offer processing fee, as below.

Preliminary offer processing fee

A preliminary offer processing fee would only apply to competing applications, at the time that Western Power has notified competing applicants in a particular competing applications group of its intention to make a preliminary access offer. Applicants that notify

Western Power that they wish to receive such an offer would at the same time need to lodge a preliminary offer processing fee.

The preliminary access offer process is designed to establish which applicants at that time are ready to proceed, pending a commercially and technically suitable connection. The competing application group process has the potential to provide efficient solutions for the benefit of the WA power sector, but would be less effective and possibly dysfunctional to the extent that non-viable applications remain in the process past this point. Further, Western Power's costs will become more significant past this point in the process as it will then need to undertake detailed and specific studies for a particular sub-set of applicants, consider a range of alternative solutions, determine an optimal solution, cost the solution, determine network charges and contributions, draft offers and prepare (as/if necessary) for the regulatory test and the new facilities investment test applications.

Western Power proposes to charge a preliminary offer processing fee with a fixed (\$) and a variable (\$/MW) component. This fee will be maintained to the account of the particular applicants and the funds will be applied (on an apportionment basis) to study costs and other offer preparation costs as above, with any balance being held over and credited towards network charges and/or contributions if applications proceed.

The circumstances in which these fees may be refunded are described under section 3.2.5: Competing applications.

The provision for Western Power to charge this fee is in clause 24.2, and the requirement for accepting applicants to pay it is in clause 24.3.

Preliminary acceptance fee

Where competing applicants accept a preliminary access offer then they will be required to pay a preliminary acceptance fee (clause 24.5(a)(iii)). This fee would be a "holding deposit" for each applicant's share of the network charges and contributions that they will have accepted in good faith, by accepting the preliminary access offer.

All competing applicants in accepting a preliminary access offer can be considered to have a common interest in the relevant network augmentation proceeding. Western Power considers that it is important to bind accepting applicants to this process and envisages a fee in the range of 5% to 10% of the overall cost represented by the augmentation solution.

Unpaid study costs

A new clause 20A has been added to provide that applications will be deemed to have been withdrawn if any fees or study costs are levied and remain unpaid after 60 days. This will have the effect of removing dormant applications from consideration of network solutions, based on the commercial decisions of applicants not to progress those applications.

3.2.8 Withdrawal of applications

One of the issues that led to the review of the current AQP is that it would appear that non bona-fide applicants and applicants that are not "ready to proceed" have hindered Western Power's ability to make offers to genuine applicants that are otherwise ready. This issue has been manifest through the need to iterate studies for a given applicant, taking account of other applications and through direct policy requirements to make offers in priority order.

Current AQP provisions for bypass and for removal of applications through “dormant application” assessment were intended to address these issues. However Western Power considers the use of the discretion inherent in these processes to be commercially risky and procedurally difficult. In practice, the bypass and dormancy provisions have almost never been used. Western Power’s revised policy is based on the following principles:

- Where an application has no material effect on Western Power’s ability to progress network investment projects or to make offers to other applicants, its status is of no real concern to Western Power or to other applicants at that time and Western Power can see no reason other than to retain that application.
- If and when an application affects Western Power’s ability to formulate a viable network investment project and in particular, where this affects studies for and offers to other applicants, then the status of the applicant becomes important to both Western Power and other affected applicants. Western Power prefers for genuine applicants with viable and prepared projects to be incentivised to self-select at this point, through their demonstrated commitment to the remainder of the application process, including financial commitments as represented by the preliminary offer processing fee and the preliminary access fee.

The following lists the circumstances under which applications will be deemed to be withdrawn by virtue of an act or omission on the part of the applicant:

- The applicant fails to correct an error in an application (clause 3.10, which is the same as in the current AQP);
- Where an applicant rejects an access offer and does not seek amendment (current AQP provision retained, in clause 5.2);
- Where an applicant rejects an access offer and seeks an amendment (current and revised AQP, clause 5.2(b)) but where Western Power and the applicant fail to reach agreement within 30 business days (clause 5.3). The clause 5.3 provision is changed from the current AQP equivalent, which triggered re-prioritisation of the application but not withdrawal and which would lead competing applications into a state of limbo with no determining timeframe;
- Where an applicant rejects a study proposal from Western Power and fails to agree an alternative within 60 business days (clause 20.2(b)). Western Power considers that this would indicate that the application is not bona fide or is not ready to progress and it is preferable for it to be withdrawn, with the right for the applicant to re-submit an application when it is ready. Existence of this provision would provide an incentive for applicants to apply when their project is ready;
- An overarching provision that an application is deemed withdrawn, where the applicant does not pay any fees or study costs that are payable, within 60 days of being invoiced for those fees or costs (clause 20A);
- Where Western Power notifies an applicant in a competing applications group of its intention to provide an offer to all applicants in that group, and the applicant either (within 30 business days) does not notify Western Power that it wishes to receive such an offer or fails to respond to the notification or does not pay the associated fee (notwithstanding the 60 day provision above) (clause 24.3);
- Where Western Power makes a Preliminary Access Offer to an applicant in a competing applications group and the applicant either rejects that offer or seeks amendments but those amendments have not been agreed within 30 business days (clause 24.5).

In addition, applicants may withdraw their applications at any time (clause 3.13(c)).

3.2.9 Changes to priority dates

Clause 24A contains provisions for priority dates to be amended in certain circumstances. These provisions for the most part reflect clauses in the current AQP. The provisions are as follows:

- Clause 24A.1 relates to withdrawn applications and is identical to clause 24.12 in the current AQP;
- Clause 24A.2 relates to tender projects and is based on clause 24.10 in the current AQP. It is intended to have the same meaning as the current clause, with minor drafting amendments that result from changes in terminology;
- Clause 24A.3 relates to amending applications. Sub-clauses 24A.3(a), 24A.3(b) and 24A.3(c) are based on the respective sub-clauses in clause 24.13 in the current AQP and are intended to have the same meaning, with minor consequential drafting changes;
- Clause 24A.3(d) has been inserted to help ensure the integrity of the preliminary access offer process for competing applicants by permitting Western Power to ignore changes to applications made after receipt of preliminary access offers. Under the provision, an applicant may still change its application after that time and the clause allows provision for Western Power to take that change into account, which it may wish to do if the change is beneficial for the viability of underlying the network augmentation. However Western Power would not be obliged to consider the change and would in that case make an offer based on the application as at the time the applicant agreed to receive it.
- Clause 24A.4 allows Western Power to proceed straight to an access offer where this results from a Network Control Service procurement process.

3.2.10 Timeliness

As in the current AQP, clause 26 requires Western Power to make offers in a timely manner. A strict reading of the current wording could be taken to imply that Western Power was expected to make offers in the sequence in which applications are lodged. This would be inconsistent with the revised AQP, which specifically allows for projects that can progress more rapidly to be made such offers. Such a reading is also inconsistent with the current situation in which Western Power is unable to make offers to competing projects because of the unconstrained access requirements of the Code, until works solutions have been developed so as to allow unconstrained access.

A phrase has been added to this clause for clarity, while retaining the intended meaning.

3.2.11 Clarification of attachment point

The interpretation of 'attachment point' in the AQP has created some confusion. For example, a situation has arisen where a customer believed that two sites, situated 30 kilometres apart, should be treated as the one connection point, and therefore be subject to just one set of network charges.

This interpretation of attachment point is contrary to the meaning intended by the AQP, which allows multiple attachment points at the same voltage to a single site but attachment points to two different sites are deemed to be separate connection points.

Clause 14.1(d) currently states that:

a connection point may be more than one attachment point to the network, if each attachment point is operated at the same voltage.

The proposed rewording for Clause 14.1(d) is:

a connection point may comprise more than one attachment point to the network provided that each attachment point is to the same lot or premises and is operated at the same voltage.

The rewording of this clause now expressly states that a single connection point must be to the same lot or premises, and so removes any confusion where multiple sites are concerned.

3.3 Compliance of proposed revisions with Access Code

3.3.1 Compliance with the Access Code

The proposed changes comply with the Access Code, and in particular the provisions in sections 5.7 to 5.11, which set out the required contents of an AQP.

Table 1 below sets out the provisions in sections 5.7 to 5.11 and explains how the revised AQP complies with the relevant Access Code provisions.

Table 1: Comparison of the Access Code provisions and the revised AQP

Access Code provisions - Sections 5.7 to 5.11	Compliance statement
5.7 An applications and queuing policy must: (a) to the extent reasonably practicable, accommodate the interests of the service provider and of users and applicants	The revised AQP accommodates the interests of the service provider, users, and applicants by revising processes for dealing with applications to seek to better manage multiple, competing applications.
5.7 An applications and queuing policy must: (b) be sufficiently detailed to enable users and applicants to understand in advance how the applications and queuing policy will operate	The revised AQP has detailed provisions explaining how applications will be dealt with in a range of circumstances, and including the impact on applications of competing applications.
5.7 An applications and queuing policy must: (c) set out a reasonable timeline for the commencement, progressing and finalisation of access contract negotiations between the service provider and an applicant, and oblige the service provider and applicants to use reasonable endeavours to adhere to the timeline	A feature of the revised AQP is that it sets out timeframes to ensure competing applications move promptly through processes without holding up other applications. The revised AQP adds a number of timeframes, including: (i) clause 20.2 - 60 business days to agree on the scope of works for studies; (ii) clause 20A - 60 business days for applicants to pay fees or costs or have an application withdrawn; (iii) clause 24.3 - 30 business days to respond to a notice of intention to prepare a preliminary access offer; and (iv) clause 24.5 - 30 business days to respond to a preliminary access offer.
5.7 An applications and queuing policy must: (d) oblige the service provider, subject to any reasonable confidentiality requirements in respect of competing applications, to provide to an	The revised AQP has improved provisions for information to be provided to applicants. The revisions add a pre-enquiry stage (clause 17A) where intending applicants can discuss

Access Code provisions - Sections 5.7 to 5.11	Compliance statement
<p>applicant all commercial and technical information reasonably requested by the applicant to enable the applicant to apply for, and engage in effective negotiation with the service provider regarding, the terms for an access contract for a covered service including:</p> <p>(i) information in respect of the availability of covered services on the covered network; and</p> <p>(ii) if there is any required work:</p> <p>A. operational and technical details of the required work; and</p> <p>B. commercial information regarding the likely cost of the required work</p>	<p>their intentions and where Western Power will provide reasonable assistance.</p> <p>The revisions provide for a formal enquiry stage (clause 18) where the applicant can request studies and information, and will be issued with an enquiry response letter advising specifically on the information required in an application and on the results of any preliminary assessments of spare capacity.</p> <p>The revised AQP retains the provisions in clause 19 which provide for Western Power to provide information on the progress of applications. It has been redrafted in clause 19.4 to place an onus on applicants to advise on changes to their applications. This will assist Western Power in keeping competing applicants fully informed on progress.</p> <p>Clause 24.9 (modelled on clause 24.16 in the current AQP) provides that Western Power must advise applicants on competing applications and the estimated time until an access offer is made.</p> <p>Under clause 24.10, Western Power must update the information provided under clause 24.9 when requested by the applicant.</p> <p>More generally, the more intensive processes for joint management of competing applications through the formation of competing applications groups will keep applicants up to date with how their applications are progressing. The processes encouraging withdrawal of applications that applicants do not consider warrant further investment will expedite the processing of remaining applications.</p>
<p>5.7 An applications and queuing policy must:</p> <p>(e) set out the procedure for determining the priority that an applicant has, as against another applicant, to obtain access to covered services, where the applicants' access applications are competing applications</p>	<p>Generally, offers to competing applicants are made simultaneously, and can be accepted at the same time. The revised policy sets out a procedure at this stage which gives all such applicants the same priority, wherever possible.</p> <p>The revised policy provides a procedure involving ranked priority (known in the new processes as the priority date) only where a joint access offer to a competing applications group is over-subscribed (clause 24.6(c)). Clause 24.6 (c) provides that where more applicants in a competing applications group express an interest in an offer made jointly to that group than the capacity in that offer, then Western Power may make offers in the order of the priority date of applications until there is no more spare capacity. Remaining applications remain valid and Western Power will attempt to develop subsequent offers for them.</p>
<p>5.7 An applications and queuing policy must:</p> <p>(f) to the extent that contestable consumers are</p>	<p>The revised AQP makes no changes to the arrangements for contestable consumers connected at exit points.</p>

Access Code provisions - Sections 5.7 to 5.11	Compliance statement
connected at exit points on the covered network, contain provisions dealing with the transfer of capacity associated with a contestable consumer from the user currently supplying the contestable consumer ("outgoing user") to another user or an applicant ("incoming user") which, to the extent that it is applicable, are consistent with and facilitate the operation of any customer transfer code	
<p>5.7 An applications and queuing policy must:</p> <p>(g) establish arrangements to enable a user who is:</p> <p>(i) a 'supplier of last resort' as defined in section 67 of the Act to comply with its obligations under Part 5 of the Act; and</p> <p>(ii) a 'default supplier' under regulations made in respect of section 59 of the Act to comply with its obligations under section 59 of the Act and the regulations</p>	The revised AQP makes no changes to the arrangements for suppliers of last resort or default suppliers.
<p>5.7 An applications and queuing policy must:</p> <p>(h) facilitate the operation of Part 9 of the Act, any enactment under Part 9 of the Act and the 'market rules' as defined in section 121(1) of the Act</p>	The revised AQP makes no changes to market rules or arrangements.
<p>5.7 An applications and queuing policy must:</p> <p>(i) if applicable, contain provisions setting out how access applications (or other requests for access to the covered network) lodged before the start of the relevant access arrangement period are to be dealt with.</p> <p><i>{Note: For the first access arrangement period section 5.7(i) would apply in respect of access applications or requests for access lodged under any prior access regime such as the regimes established under the Electricity Transmission Regulations 1996 (WA) and Electricity Distribution Regulations 1997 (WA). For subsequent access arrangement periods it would apply in respect of access applications lodged in a prior access arrangement period.}</i></p>	<p>The revised AQP makes only minor changes to the provisions of clause 2.4 of the current AQP, which provides for transitional applications (that is, applications which pre-date the current access arrangement and revised AQP).</p> <p>The revised AQP removes the concept of queue in clause 2.4(a). Applications received prior to the revised AQP being implemented will retain the priority date of when they were lodged and complete (refer clause 3.2).</p> <p>Apart from minor drafting changes to subparagraph (b), the revised AQP makes no changes to the provisions in clauses 2.4(b) and (c).</p>
5.8 The paragraphs of section 5.7 do not limit each other.	Noted
<p>5.9 Under section 5.7(e), the applications and queuing policy may:</p> <p>(a) provide that if there are competing applications, then priority between the access applications is to be determined by reference to the time at which the access applications were lodged with the service provider, but if so the applications and queuing policy must:</p> <p>(i) provide for departures from that principle where necessary to achieve the Code objective; and</p> <p>(ii) contain provisions entitling an applicant, subject to compliance with any reasonable conditions, to:</p>	<p>To the extent that priority is used to rank competing projects, then the Priority Date is defined in regards to the time at which access applications are lodged, in accordance with this Code provision.</p> <p>The changes to the use of the concept of priority, such that competing applications are treated equally where possible, are proposed because Western Power considers that they better meet the Code objectives.</p> <p>The policy for provision of information applicants is substantially retained, in clause 19, with editing changes following from the policy change to the treatment of competing projects and associated terminology.</p>

Access Code provisions - Sections 5.7 to 5.11	Compliance statement
<p>A. current information regarding its position in the queue; and</p> <p>B. information in reasonable detail regarding the aggregated capacity requirements sought in competing applications ahead of its access application in the queue; and</p> <p>C. information in reasonable detail regarding the likely time at which the access application will be satisfied;</p> <p>and</p> <p>(b) oblige the service provider, if it is of the opinion that an access application relates to a particular project or development:</p> <p>(i) which is the subject of an invitation to tender; and</p> <p>(ii) in respect of which other access applications have been lodged with the service provider, ("project applications") to, treat the project applications, for the purposes of determining their priority, as if each of them had been lodged on the date that the service provider becomes aware that the invitation to tender was announced.</p>	<p>The revised AQP makes no change to the policy for treatment of tender projects.</p>
<p>5.9A If:</p> <p>(a) an access application (the "first application") seeks modifications to a contract for services; and</p> <p>(b) the modifications, if implemented, would not materially impede the service provider's ability to provide a covered service sought in one or more other access applications (each an "other application") compared with what the position would be if the modifications were not implemented, then the first application is not, by reason only of seeking the modifications, a competing application with the other applications.</p>	<p>Noted.</p> <p>Clause 20.3 provides for applicant-specific solutions where an applicant is prepared to pay for the full costs of a solution. Clause 20.3 provides objection rights for competing applicants or existing users to object to applicant-specific solutions provided to particular applicants on the basis that they impede existing users or other applicants compared with what the position would be if the applicant specific solution did not proceed, and the policy gives effect to this Code requirement by requiring Western Power not to proceed if it judges that the solution would impede in this way.</p>
<p>5.10 An applications and queuing policy may:</p> <p>(a) be based in whole or in part upon the model applications and queuing policy, in which case, to the extent that it is based on the model applications and queuing policy, any matter which in the model applications and queuing policy is left to be completed in the access arrangement, must be completed in a manner consistent with:</p> <p>(i) any instructions in relation to the matter contained in the model applications and queuing policy; and</p> <p>(ii) sections 5.7 to 5.9;</p> <p>(iii) the Code objective;</p> <p>and</p> <p>(b) be formulated without any reference to the model applications and queuing policy and is not required to reproduce, in whole or in part, the</p>	<p>The revised AQP is not based on the model AQP. This is permitted under 5.10(b).</p> <p>Western Power considers that the revised AQP is consistent with the Code and better meets the Code objectives.</p>

Access Code provisions - Sections 5.7 to 5.11	Compliance statement
<p>model applications and queuing policy.</p> <p><i>{Note: The intention of this section 5.10(b) is to ensure that the service provider is free to formulate its own applications and queuing policy which complies with sections 5.7 to 5.9 but is not based on the model applications and queuing policy.}</i></p>	
<p>5.11 The Authority:</p> <p>(a) must determine that an applications and queuing policy is consistent with sections 5.7 to 5.9 and the Code objective to the extent that it reproduces without material omission or variation the model applications and queuing policy; and</p> <p>(b) otherwise must have regard to the model applications and queuing policy in determining whether the applications and queuing policy is consistent with sections 5.7 to 5.9 and the Code objective.</p>	<p>The revised AQP does not apply the model AQP so Western Power acknowledges that the Authority must have regard to the model policy in determining whether the revised AQP is consistent with sections 5.7 to 5.9 and the Code objective. It is noted, however, that, under clause 5.10(b) as above, the revised AQP does not need to be formulated with any reference to the model AQP.</p>

3.3.2 Better meeting the Access Code objective

The proposed changes better meet the Code objective by:

- providing clearer initial exchange of information, through the Enquiry stage and associated application and response requirements, so that acceptance and subsequent processing of applications can be more efficient both for western Power and for applicants;
- providing for Western Power to more rapidly progress to being able to make access offers to generation plant, thus helping to clear the current backlog of applications in the queue and enabling entry of new and competing generation in the market;
- supporting a process of more strategic development of the Western Power network by enabling lower-cost simultaneous or joint access to a number of competing applications rather than higher-cost incremental access to single applicants;
- treating applicants more equitably than the current process by using the preliminary offer processes to clarify which applications are ready to proceed and by making equivalent offers simultaneously to competing applicants rather than sequentially as a function of priority as currently defined;
- using the priority date to allocate capacity only in circumstances where a preliminary offer is oversubscribed and it is not feasible for Western Power to meet the needs of all such applicants, thus reducing the extent to which the current process creates artificial and distortionary incentives and values; and
- be future proofed from market changes (if they occur) e.g. to the unconstrained planning policy and WEM 'road map' outcomes by modularising the "competing applications" components of the policy, which are a function of the unconstrained planning policy applied by Western Power based on the Code.

3.4 Transition

Western Power has considered how the existing policy would transition to the revised policy, and proposes that the following transition procedures will be applied:

- applicants whose applications have already been accepted by Western Power will not need to reapply and will be assigned a priority date equal to the date on which their application was lodged and accepted under the current AQP;
- existing applicants that are “competing applicants” will be assessed and grouped into Competing Applications Groups; and
- Western Power has carried out a trial assessment of the existing generation applications, as a “proof of concept”. It was found that nearly all applications could already be grouped based on existing information: forty-six applications were found to group into nine Competing Applications Groups, eight applications were considered not to be constrained and five were pending studies.

Western Power will continue to process applications under the current AQP, pending the ERA’s determination. Where applicants have been made an offer, or where Western Power is on track to be able to make an offer within the period of the ERA’s consideration, then it will continue to do so.

Western Power has commenced scoping the program that will be required to implement the proposed revisions. Western Power expects to be able to utilise this planning work to answer questions of implementation detail that might arise in the course of the ERA’s consideration and this will also put Western Power in a position to implement the revised policy as soon as possible following a determination. In broad terms, implementation will involve some changes to internal processes and systems, internal training and stakeholder liaison through the transition period leading up to commencement of the revised policy.

Appendix 1: Proposed changes to the Applications and Queuing arrangements for access to the South West Interconnected network (August 2009)



DISCUSSION PAPER: PROPOSAL FOR CHANGES TO THE APPLICATION AND QUEUING POLICY

PURPOSE

The purpose of this forum is to provide an opportunity for Western Power's major customers to provide suggestions towards changes to the applications and queuing policy ("AQP"). Western Power will use this feedback to develop its proposal prior to seeking approval from the Economic Regulation Authority ("ERA") to redraft the AQP. Western Power will outline the current Bypass mechanism allowed under the AQP to make Western Power's process more transparent to Applicants.

OVERVIEW

Western Power is responsible under the Electricity Networks Access Code (the '**Code**') for promoting the economically efficient investment in, operation of and use of the Network¹ which is currently impeded by the size and complexity of the Access Queue.

The AQP requires Western Power to process applications on a 'first come, first served' basis in chronological order; however certain circumstances will allow for application of the 'Bypass' process. Due to the large number of Applicants currently on the Access Queue, employing the Bypass process can be a time consuming, complex, and highly administrative task.

Western Power is proposing a change to the processing of applications through the following amendments:

1. Institute a compulsory "Enquiry Stage" of the connection process, similar to the National Electricity Market (**NEM**) connection model; and
2. Institute criteria for entry to the "Queue" which will assess the level of 'readiness' of an Applicant's project prior to acceptance onto the Access Queue.

The following document forms a discussion paper to assist Applicants in understanding the proposed changes prior to the public "Queuing Forum" to be held on the 17th August 2009.

These changes should improve the ability of Applicants to gain connection to the SWIS and seeks to address known issues facing the existing process.

¹ Code objective is to "promote the economically efficient; (a) investment in; and (b) operation of and use of, networks and services of networks in Western Australia in order to promote competition in markets upstream and downstream of the networks."

CURRENT ISSUES

Western Power has a large number and scale of generation applications (approximately 6 GW) in the Access Queue making it difficult for Western Power to process all Applications efficiently.

Applicants and Western Power are confronted with issues which Western Power seeks to resolve to all parties mutual satisfaction.

Issue 1: Risks inherent in studies and options analysis

The 'first come, first served' principle for treating applications in the AQP obligates Western Power to reserve capacity for earlier applications. Therefore system studies, which determine scope of network augmentation, assume prior applications in the queue will be connected. As the number of prior applicants grows, so do the assumptions, potentially leading to complex system studies results and scopes of work for the applicant. Applicants may also wish Western Power to study a number of options.

Proposal: Western Power proposes to:

- Reduce the risk of complex system study results by reducing the number of applicants on the Access Queue, and
- Provide system study base case data to allow independent consultants to model applicant's connection options in the Enquiry Phase.

Issue 2: Rework caused by project uncertainty

Applications which are submitted too early in their project lifecycle or have incomplete details may cause delays in processing due to applicant's revision of requirements after studies and estimates are completed.

Proposal: Western Power proposes to increase project certainty by implementing a project rating criteria allowing it to deal with uncertain applications in the Enquiry Phase where reprioritisation is not subject to queuing constraints. Western Power also propose to institute a bond associated with entry to the Access Queue, this would be non-refundable and in the region of \$100,000.

Issue 3: Queue congestion caused by project dependence

There are a number of applications present in the queue with dependence upon other projects beyond the applicant's span of control (e.g. network reinforcements or other applications). Later applicants without such dependency may face queue congestion and consequently delays in receiving an Access Offer.

Proposal: Western Power proposes to deal with such applications in the Enquiry Phase where reprioritisation is not subject to queuing constraints.

Issue 4: Risk associated with Bypass

The AQP provides a test as to when bypass may be permitted. The test has some objective and subjective criteria which must be applied when assessing diverse application types.

Proposal: Western Power wish to ensure certainty and transparency in the bypass assessment in order to ensure it can make a fully informed decision and minimise the likelihood of appeal and subsequent risk to applicants.

Issue 5: Tender provision

The AQP has specific provision for prioritising applicants who are part of a tender. The conditions required for an applicant or tenderer to rely upon this clause may be uncertain or ambiguous.

Proposal: Western Power wishes to revise the AQP to remove any uncertainty pertaining to tender projects.

Western Power would like to resolve the above issues and achieve the stated objectives by proposing changes to the AQP after consulting with the market. The proposed changes are summarised in the following sections and will be discussed at the Queue Forum.

DISCUSSION TOPIC 1 – REVISION OF QUEUE ENTRY CRITERIA

Proposed Compulsory Enquiry Phase

Western Power is proposing to introduce a compulsory "Enquiry Phase" similar to the National Electricity Market connection model. This is intended to be a period where Western Power and the Applicant fully discuss the project requirements, thereby assisting the Applicant in their decision making process, without the constraints imposed by the Queuing Rules.

During the Enquiry Phase all applications will have equal priority. During the Enquiry phase an Applicant may request a load flow study(s) to indicate the need for network reinforcement. Western Power will work with the Applicant to investigate multiple connection options or varying the proposed in-service date.

Western Power will seek to publish the list of known enquiries by Enquiry reference number and the same information as that published for Connection Applications. In conducting the load flow studies at an Enquiry Phase, Western Power would include in its base case all applications on the Access Queue, and offer the Enquiry Applicant the choice of including any other known enquiries from the Enquiry list.

The applicant would be given the choice to have studies done by Western Power or other independent consultants. Western Power will provide the base case data under confidentiality agreement to the independent consultant.

Current Scenario: Running system studies to find initial scope of connection for **M** assumes all applicants ahead of **M** in the queue will connect.



Proposed Scenario: Only **A, B, C** are on the Queue, run studies for **M** assuming only **A, B, C**. Applicant **M** nominates to include known enquiry 'F' from the enquiry list.



Diagrams for illustration purposes only

The new approach will give Applicants a better first-view of the network state for when they propose to actually connect. This study information will be used to develop the scope of several connection options and any necessary reinforcements and cost estimates for each option. The Applicant will determine whether the application still meets their commercial requirements before selecting their final choice of primary plant and connection configuration leading to the submission of a connection application.

In the event there are limited resources (e.g. to perform studies) then Western Power would prioritise connection applications above enquiries.

Queue Entry Criteria

Once the Applicant has chosen their final connection option and plant, Western Power will schedule an "Access Queue Entry Criteria" assessment to be conducted by a Queuing Panel². The Queuing Panel will be assessing both the application for completeness and the level of progress of the Applicant's project.

Once the Access Queue Entry Criteria have been met the Connection Application is deemed to have been submitted. The Applicant would then be requested to pay the Access Entry bond, which would be in the region of \$100,000. The bond would be refundable in the event the applicant accepts an Access Offer otherwise it would be non-refundable. The proposed Criteria are attached to the end of this document for consideration.

The aim of the Criteria is to ensure Applicant's readiness to proceed and risk of project slippage prior to entry to the Access Queue. An assessment may reduce the number of applications on the queue and increase the certainty that connection applications will proceed without variation.

Treatment of Projects with Project Dependence

Western Power's view is that applications with dependence upon other major projects for which there is uncertainty beyond the applicant's span of control (e.g. network reinforcements or other proponent's applications) will be treated as an enquiry until such time as there is certainty regarding the related project.

Benefits

It is Western Power's view that the following benefits may be obtained:

- Decrease in processing times as the number of reworked studies and estimates are reduced
- Increased certainty to applicants by reducing the number of scenarios considered in system studies
- Increase in flexibility to applicants wanting to know the feasibility and budget costs of a project before being constrained by the connection application process
- Lower instance of project bypass as connection applications are more likely to proceed to an Access Offer

² The Queuing Panel will consist of three members drawn from Technical, Regulatory and Access Sections of Western Power and will meet on a regular timetable to assess applications.

Cost

- The overall cost may increase for some applications as studies conducted during the enquiry phase may need to be repeated during the connection application phase.
- Western Power proposes to institute a compulsory bond for Access to the Queue. This \$100,000 bond would be paid upon entry to the queue, and would offset any capital contribution or be refunded to the customer (in the case of capital contributions <\$100,000) at the time of entering into an Interconnection Works Contract. Withdrawn contracts would not be refunded their Access bond.

Queue Entry Criteria: Western Power seeks comment on the proposed Queue Entry Criteria and application of a non-refundable bond.

DISCUSSION TOPIC 2 – BYPASS TEST

Application of Bypass in Existing Process

The first Bypass was carried out in late 2008, with two further Bypasses recently completed. With the large number of applications presently in the Access Queue there is increased likelihood of Bypass.

Under the current process, if an application reaches a state where its progress through the Access Queue is slowed or impeded by an earlier application then Western Power must use the Bypass provisions of the AQP to reprioritise the applications.

Every competing applicant between the impeded Application up to and including the impeding Application(s) receives a notice and is given the opportunity to justify through project documentation or other evidence, why it should not be bypassed. Applicants must respond within 20 business days after which Western Power must then examine all the replies received and determine if a Bypass can actually occur.

Using the Bypass process to manage the queue imposes the following risks:

- Administrative delay of at least a month (as Western Power notifies bypassed applicants and assesses responses); and
- Additional cost and delay to bypassed applicants (as existing system studies and estimates may lose their validity and thereby incur additional cost to the applicant); and
- Additional risk to the bypassing applicant (who may be required to guarantee payment of capital contribution for additional works if the bypass decision is overturned on appeal).

Application of Bypass in Revised Process

With the proposed new compulsory Enquiry Phase, Western Power will be able to determine initial priority on the applicant's entire project readiness to proceed rather than based simply on its ability to provide data. Projects which are not at the requisite level of readiness will be treated as an enquiry and therefore not included in the Access Queue. Consequently there will be fewer applications on the Access Queue and higher level of certainty associated with projects on the Queue.

Once on the Queue any reprioritisation of applications would then be subject to the defined bypass process. The occurrence of Bypass and associated risks should decrease as a result of the reduced number of Applicants in the queue.

Bypass Test

Clause 24.4 of the AQP describes when Bypass is permitted. Clause 24.5 identifies circumstances where bypass *might* be satisfied.

Typically an applicant and Western Power would rely upon meeting the conditions contained in clause 24.4(a) and clause 24.5 thus requiring the bypass to better meet the *Code objective* and the bypassing applicant being able to demonstrate it is more ready to proceed to a signed access offer.

At present Western Power considers the test has some objective and subjective criteria which must be applied when assessing diverse application types. For example, Western Power considers that generally the following application types may more quickly proceed to a signed access offer and therefore are likely to bypass other applications:

- Increase to Declared Sent Out Capacity (DSOC) for existing installations
- Connecting to the distribution network
- Upgrading or replacing existing plant
- Other connection applications requiring minimal augmentation.

Western Power proposes that clause 24.5 be reworded to provide greater certainty such that it can be relied upon to make a bypass determination subject to sufficient assessment of project and applicant readiness to proceed.

It wishes to also clarify the AQP definition of *competing* applies to applications competing for network capacity but not competing for resources to process an application.

The proposed changes will remove uncertainty and possibly mitigate the need for Western Power to obtain a guarantee from bypassing applicants against the risk of a successful bypass appeal.

Bypass: Western Power seeks comment on issues perceived with the Bypass process in the existing and revised process.

Tender Projects

To date only one applicant has sought to rely upon the tender provision within the AQP (clause 24.9) which are thus largely untested. Western Power believes there may be uncertainty in the following aspects of clause 24.9:

1. The conditions which must exist for it to be applied
2. Whether all applicants would be equally prioritised regardless of whether they have provided notice
3. The type of tender where it can be applied
4. Its application to a tender where there are potentially numerous successful tenderers'
5. Obligations on the tenderer, including the level of disclosure to Western Power

Western Power proposes to clarify the above requirements in its AQP submission.

Tenders: Western Power seeks comment on the current provision for Tender Projects

TRANSITION TO NEW PROCESS

Prior to Approval of Western Power's AQP changes

Where applications are not proceeding then Western Power will continue to apply the current provisions in the AQP for dormant applications³ or where applicable, bypass.

The Dormant application process involves notifying Applicants who have been in the Access Queue for greater than twelve months with minimal progress that Western Power deems it unlikely they will proceed to an Access Offer. The Applicant receives a period of 30 business days in which they are required to provide documentary evidence to Western Power substantiating the progress of their Project. At the end of the 30 business days, Western Power makes a final assessment, using the Queue Entry Criteria, as to whether the application is deemed withdrawn.

Post Approval of Western Power's AQP changes

Western Power proposes that the revised AQP should apply retrospectively to all applicants in the access queue at the time of the approval. All applications would be subjected to the Queue Entry Criteria and if unable to meet the requisite criteria individual applications may be transitioned to the Enquiry Phase.

Transition: Western Power seeks comment on its proposal that proposed AQP changes be applied retrospectively.

³ The determination will be either the application is deemed to be progressing in a satisfactory manner, or Western Power determines the application should be withdrawn, and transitioned to the enquiry phase until further progress is made by the applicant.

SUBMISSIONS

Western Power's Submission

Western Power will be seeking verbal feedback on its proposal at the Queuing Forum to be held on the 17th August 2009. Western Power will also be seeking written submissions from interested parties to its proposal until the 7th September 2009 (the submission process is outlined below).

Western Power will revise its proposal to meet the respective needs of the market and Western Power in respect to application processing, queuing and assessment.

Western Power intends to provide to market participants and forum attendees detail of its proposed changes to the AQP by 30th October 2009 and invite further comment.

Approval of AQP Revision

Western Power will submit to the ERA its proposed changes to the AQP and supporting information. A copy of the submission will be placed on Western Power's website and notified to market participants and forum attendees.

The submission to revise the AQP will be made independently of the Access Arrangement submission process. Western Power intends to make this submission by or before February 2010 owing to the current review of the Access Arrangement 2.

Part of the ERA's approval process may include the opportunity for further public consultation and comment. It is Western Power's intention in holding this Forum to achieve alignment with stakeholders prior to commencing the ERA approval process.

Submission Process

Interested parties who are unable to attend the Queuing Forum on 17th August, or who wish to provide further comment prior to, or subsequent to, the Queuing Forum event may submit written comments to:

access_services@westernpower.com.au or addressed to Queuing Forum, Customer Solutions
Western Power
363 Wellington St
Perth WA 6000

By close of business on Monday the 7th September 2009.

ATTACHMENT 1 - ACCESS QUEUE ENTRY CRITERIA

This document intends to outline some of the criteria that Western Power will refer to when determining the technical, commercial or environmental 'readiness' of an applicant's project.

Whilst this is not an exhaustive list, it is an indication of how Western Power may compare a state of readiness to proceed for individual applications. All decisions will be made in the best judgement of Western Power's Queuing Panel, using the information provided by the applicant at that point in time.

Any revisions to applications will need to be reassessed based on the new information and not existing data.

The panel will convene quarterly to assess projects. However, should a project become urgent, Western Power may choose to convene an assessment outside of the quarterly sessions.

Proof of activity can only be assumed completed once the document has been sighted and a **copy of the signed page (or all of the document where required) is retained on the project file**. All documentation remains under the confidentiality clause and will not be made public or distributed to external organisations.

Individual criteria are awarded a score from 1 to an upper limit based on the level of detail and information provided by the applicant. The upper limit enables high importance factors to be weighted appropriately. Entry to the Access Queue will be determined by gaining a score of (for an initial discussion) 75% or more on the Access Queue Entry Criteria. The Queuing Panel may elect to disregard criteria that are not deemed relevant to the application in question. Bonus points may be awarded at the discretion of the Queuing Panel where constructive consultation between Western Power and the applicant has occurred at the enquiry stage.

	Complete Y/N	Date Completed
Access Application (Compulsory)		
Fully completed access application form		
Complete and accurate data for proposed generating machines, including a working dynamic computer model		
Western Power has agreed in principle that the requested in-service date is achievable		
Network constraints resolved to mutual satisfaction		
	Awarded Score	Maximum Score
Land/Premises		
Demonstration of purchase or lease of land that is to be the site of the facility (Titles or other documents must be sighted)		
Demonstration of planning approval for facility (WAPC application or other documents must be sighted)		
Demonstration of development approval (WAPC / LGA application or other documents must be sighted)		
Proof of site investigation report (Geotechnical survey and/or similar engineering investigations)		
Letters of consent for Western Power to access/enter property from Land owners, LGA etc		
	Awarded	Maximum

	Score	Score
Fuel Source		
Proof of fuel / energy source available for the applicable generation type, to achieve the nominated declared sent out capacity		
Proof of fuel / resource storage availability		
Evidence of supplier contract / agreement for fuel or resource		
Environmental		
Demonstration of Environmental Investigation		
Environmental Impact Assessment referred to EPA		
Environmental Approval granted by EPA		
Design Level Stage		
Demonstration of conceptual (user's) facility design		
Technical Rules		
Provide declaration of understanding and acknowledgement of Technical Rules and need for customer certification by a Chartered Professional Engineer (with NPER standing)		
Technical Rules compliance demonstrated through preliminary machine / generator certification		
Acceptance of Technical Rules exemptions		
Submitted and approved HV submission (for connections at 6.6 kV to 33 kV)		
Evidence of market participation Demonstrated by one of the following, or combination thereof.		
Demonstration of tender award / bilateral agreement from an electricity retailer or major load		
Demonstration of Generation licence awarded by the Economic Regulation Authority (ERA)		
Note: Each document submitted to Western Power as evidence of the above should include specific reference by the referee as to the facility and required in-service date that are the subject of the application.		

	Awarded Score	Maximum Score
Finance		
Demonstration of financial approval for complete project (includes awarding of grant where those funds cover full works associated with the project)		
Details of Financial Structure (include contract entity)		
Resourcing		
Demonstration of Resourcing Contracts e.g. Engineering Procurement Construction Management contracts, for turn-key project package, or for engineering design		
Demonstration of purchase of generator turbines or major plant (such as primary transformers)		
SCORE		
Other (Bonus Points)		
Unconditional IWC		
Stakeholder consultation		
Any other documentation or evidence that is able to show progression of the project		
BONUS SCORE		

Criteria	Total Scored
Land/Premises	
Fuel Source	
Environmental	
Design Stage	
Technical Rules	
Evidence of Market Participation	
Finance	
Resourcing	
Bonus score	
Total	

DETERMINATION: ENQUIRY / APPLICATION

ATTACHMENT 2 – APPLICATION PROCESS

A high level overview of the proposed application process is provided as follows:

Pre-feasibility Phase

- ❑ Contact Western Power for initial pre-feasibility discussions (ask general questions about known constrained areas of the network, discuss costs and processing times and the best method for applying)
- ❑ Submit a Connection Enquiry

Enquiry Phase

- ❑ Discussions, load flow studies (may be completed by independent consultant) and budget estimates are completed by Western Power under the direction of the Applicant to identify a single connection option
- ❑ Applicant decides to proceed and submits required project evaluation information
- ❑ Project is evaluated using Access Queue Entry Criteria
- ❑ Access Application deemed to be accepted or remain as an Enquiry
- ❑ Applicant pays Application Entry Fee

Application Phase

- ❑ Discussions, detailed studies, detailed scoping and detailed estimates are conducted by Western Power
- ❑ In rare cases the Application may be bypassed
- ❑ All agreements are negotiated
- ❑ Internal (Western Power Executive or Board) and external approvals are sought (Regulatory Test submission and New Facilities Investment Test submission to the ERA for Projects greater than \$30M)
- ❑ All agreements are executed; Applicant pays Capital Contribution or sets up an appropriate payment arrangement
- ❑ The Application leaves the Access Queue as Access is now granted

Delivery Phase

- ❑ Design, procurement, construction, commissioning and energisation

Appendix 2: Submissions received on proposed changes



- Western Power's commitment to applicants in the first formal process, Stage 1 (Enquiry) needs to be elaborated, including Western Power's responsibilities and tasks undertaken as part of the formal submissions process.

Shared Network Competing Applications Group

- Greater detail for applicants in Stage 5 (Shared Network Competing Applications Group) needs to be provided such as predicted grid capacity and estimated timeframe for Western Power's shared network planning and investment processes.
- Over-subscribed conditional offers should not only be made on the basis of application lodgement date as this implies a similar queuing concept as currently implemented but instead utilise a basic set of criteria to meet Federal and State Government planning policies.

Applicant Bond

- As per the PJM charging model (US Regional Transmission Organisation), it is proposed that the applicant bond at Stage 9 should not only be based on a fixed value and the estimated cost for studies and assessment and preparation of offer (for thresholds $>$ and \leq 20 MW) but instead be based upon a minimum cap value, maximum ceiling and a variable payable amount per MW applied:
 - Minimum bond: \$50,000
 - Variable: \$1,500 per MW
 - Maximum bond: \$2,500,000
- A dynamic and scalable pricing cap will ensure that committed projects are liable for its application bond relative to its proposed size (capacity) while ensuring simplicity through the exclusion of estimated costs for studies and assessments.
- Wind Prospect would like to propose that the Economic Regulation Authority (ERA) of Western Australia be appointed as the application bond regulation authority.
- Western Power should be made liable to limited financial costs such as technical studies if Western Power is unable to deliver a solution to shared network constraints within a period of five years upon receiving the applicant's bond.

Existing Applicants

- Existing applicants who will be transferred into Stage 5 (Shared Network Competing Applications Group) should be provided with an opportunity to review and revise applications with reason, such as the merging of existing applicants and reasonable amendments to proposed grid capacity as influenced by the cost of an application bond.

As discussed, Wind Prospect welcomes the proposed revisions to the current Western Power AQP and strongly believes that such a process when properly implemented, regulated and operated will deliver benefits to all relevant stakeholders and to Western Australia's economic state.

Wind Prospect supports the principle of the proposed AQP process and key elements such as a dynamic and scalable Applicant Bond will help Western Power in determining the 'seriousness' of applicants who may not have the financial means to progress their projects to completion.

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We would also like to congratulate Western Power on receiving the ERA's approval with regards to the SWIN transmission grid upgrade and hope that such an undertaking would be implemented swiftly to enable an improved grid with increased capacity. We look forward to receiving further information from you on the next stage of consultation and about the progress of the line to be upgraded between Pinjar and Eneabba.

Yours sincerely



Andy MacCallum
Development Manager

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Your Ref: Doc No. 6742726v2
Our Ref: DMR 3249088
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12 Feb 2010

Mr Gino Giudice
A/Manager Customer Solutions
Western Power
GPO Box L921
PERTH WA 6842

Dear Mr Giudice

**FEEDBACK ON PROPOSED REVISIONS TO THE APPLICATIONS AND
QUEUING POLICY ARRANGEMENTS FOR ACCESS TO THE SOUTH
WEST INTERCONNECTED NETWORK**

Thank you for the opportunity to comment on the proposed changes to the Applications and Queuing Policy (A&QP) for managing applications for access to the South West Interconnected Network (SWIS). Verve Energy would like to congratulate Western Power on its proposal to change the A&QP with a view to provide more transparency, equitability for all applications and making the process more efficient.

Verve Energy would like to make the general comment that its interpretation of the Electricity Networks Access Code (the Code) has always been that it provides significant flexibility with respect to the assessment of Access Applications in general. The proposed arrangements have certainly moved towards a more flexible approach which is more in line with the Code.

It's clear that Western Power have identified that there are significant issues associated with the current process and are trying to rectify the issues through this new proposal.

Verve Energy has requested that the following specific comments be made on the proposed revisions to the A&QP:

- It is noted that Western Power intends to classify existing applicants according to the revised policy. To avoid disadvantaging any proponent, it is recommended that consultation with Proponents should occur as part of this process.

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- Competing Applications Group – Clarity is sought with respect to the contribution that renewable energy generators are required to make towards shared network augmentations and the process by which the contributions are determined. Additionally it is not clear in this process how the alignment of project timing with the implementation of network augmentation is treated. It can be foreseen that within a Competing Applications Group that all projects may have differing target dates for development.
- Modifications to existing DSOC - The A&QP should have a well defined process for dealing with the situation where an existing holder of DSOC wishes to make changes to how that DSOC is used in the future. This would involve a technical assessment that the proposed new generator/s complies with the Technical Rules, however, the process of dealing with these applications should be kept quite separate from the access queue and managed accordingly.
- Network Support and Payments - Western Power has capital constraints on augmenting its network but is not obligated to negotiate with third parties for the provision of network support services that a Proponent could provide in a constrained area of the network. It is suggested that payment for network support services would incentivise proponents to more optimally locate projects and enable better utilisation of existing network infrastructure.
- Confidentiality of Information – A more transparent queuing process is welcomed as this opens up opportunities for Proponents in a Competing Applications Group to collaborate on the exploration of solutions or to allow for improved decision making as to whether to submit a network access application.
- Queuing Process Documentation – Documentation that clearly describes the proposed steps and costs involved in applying for and obtaining network access would be advantageous for all proponents.

I trust that the above information satisfies your request for comments on the proposed changes to the A&QP. If you require any further information, please don't hesitate to contact me on 08 9424 1917.

Yours sincerely



WENDY NG
MANAGER STRATEGY & REGULATION

Appendix 3: Proposed changes to the Applications and Queuing Policy with track changes visible

Applications and Queuing Policy

ELECTRICITY NETWORKS CORPORATION ("WESTERN POWER")

ABN 18 540 492 861

{Outline: This *applications and queuing policy* is included in Western Power's *access arrangement* in accordance with section 5.1 of the *Code*.}

{Note: This policy has been prepared in accordance with the requirements of the Electricity Networks Access Code 2004, including proposed Electricity Networks Access Code Amendments (No 2) 2008}

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Date ... [1]

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4 Part A - Common Provisions

1. Operation and objective

1.1 **Operation of this applications and queuing policy**

This *applications and queuing policy* operates in the manner shown in Figure 1 (next page).

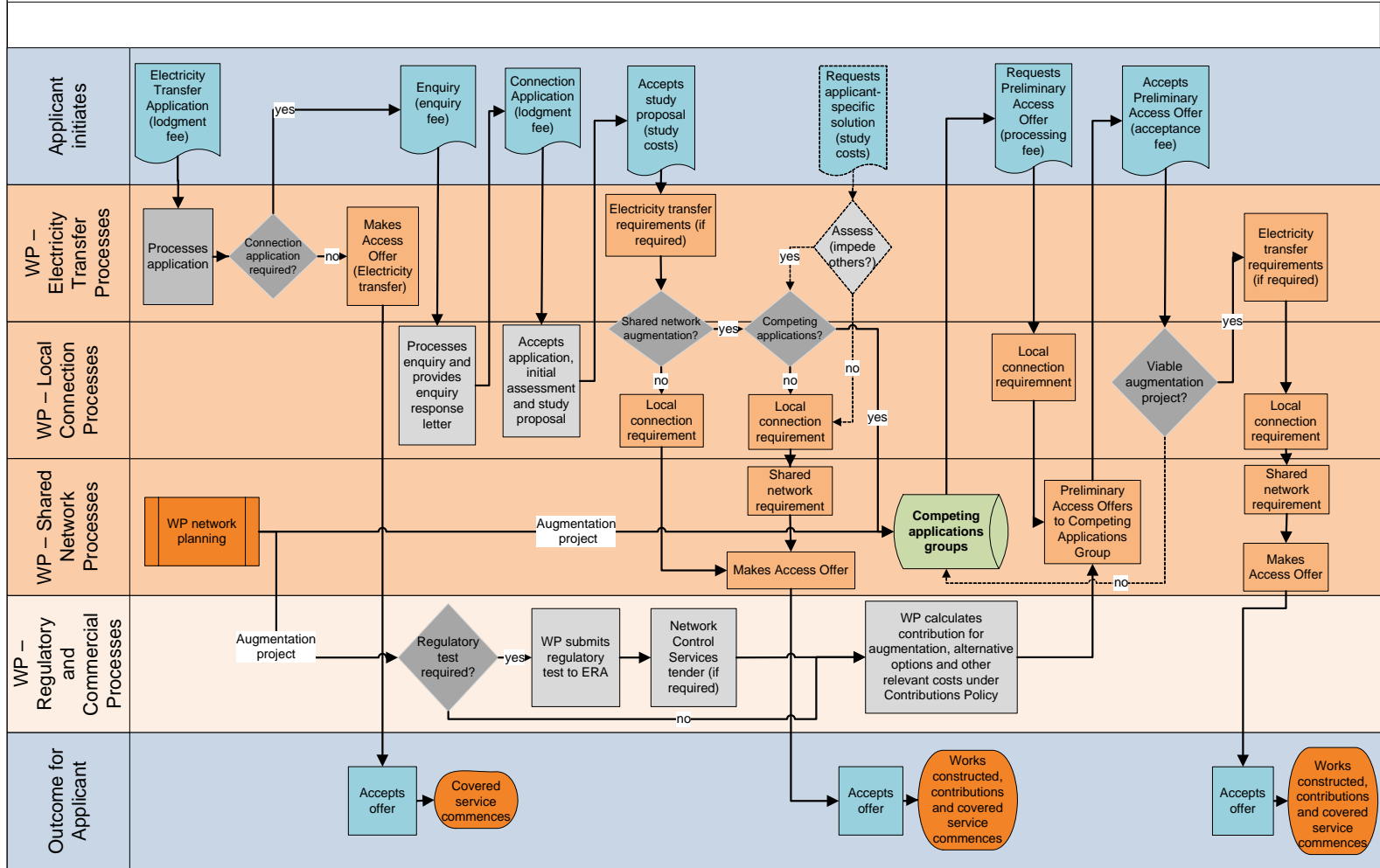
1.2 Objectives

The objectives of this applications and queuing policy are:

- (a) To provide an equitable, transparent and efficient process for assessing the suitability of plant and equipment to connect to Western Power's network and to make access offers based on that assessment; and
- (b) To undertake assessments and to provide shared network access offers that facilitate access by generators and loads to the WA Electricity Market (WEM) on an economically efficient and non-discriminatory basis that is consistent with WEM requirements, and uses a process that is equitable, transparent and efficient; and
- (c) Where feasible and cost-effective, to facilitate joint solutions for connection applications.

Western Power may from time to time determine that it can provide *shared asset works* that can provide access to multiple *applicants*.

Figure 1: Access, Connection and Transfer Applications Policy – Process Overview



2. **Introduction**

2.1 **Definitions**

In this applications and queuing policy, unless the contrary intention is apparent:

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

“access contract” means an agreement between Western Power and another person for that person to have access to *covered services*.

{Note: Under the *Code* “access agreement” has the meaning given to it in part 8 of the *Act*, and under section 13.4 (d) of the *Code* includes a “*deemed access contract*”. The definition of “access agreement” under the *Act* is “an agreement under the *Code* between a network service provider and another person (a “network user”) for that person to have access to services”.

“access contract number” means the unique identifier given to each *access contract* by Western Power.

“access dispute” has the meaning given to it in the *Code*.

{“access dispute” means a dispute, in connection with an *access application*, between the applicant and the service provider, including a dispute in relation to any one or more of the following (and the paragraphs of this definition do not limit each other):

- (a) whether the applicant or the service provider has complied with, or the manner in which the applicant or the service provider has purported to comply with, the applications and queuing policy; and
- (b) the terms and conditions, including service standards, on which the applicant should be permitted to acquire covered services from the service provider; and
- (c) whether work is required work and the terms and conditions applying, or proposed to apply, to any such work; and
- (ca) anything connected with or arising out of a proposed contribution; and
- (cb) a matter heard under section 15.7; and
- (cc) anything connected with or arising out of Appendix 8; and
- (cd) anything connected with or arising out of Appendix 9; and
- (d) whether the service provider should grant the applicant an exemption to the technical rules under section 12.34; and
- (e) the arrangements which will apply in respect of a supplementary matter connected with the *access application*”.

“access offer” means a form of contract developed under this *applications and queuing policy* which has been *signed* by Western Power and is in such a form that it can, without anything else being required, become an *access contract* when *signed* by an *applicant*.

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

“accumulation meter” has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* “accumulation meter” means “a meter that measures accumulated energy data and records it in one or more accumulated energy registers, and includes a meter with interval energy data storage capability which is deemed to be an accumulation meter under clause 3.2(2)”.

“**applicant**” means a person (who may be a *user* or a *customer*) who has lodged, or intends to lodge, an *application*.

“**applicant-specific solution**” means a method of satisfying a *connection application* by either:

- (a) works funded solely by the applicant whether by direct funding or through payment of tariffs and/or contributions by that applicant and not involving another applicant; or
- (b) an operational solution involving only that applicant; or
- (c) a combination of works funded solely by the applicant and an operational solution.

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“**application**” means an *electricity transfer application* or a *connection application*.

“**application form**” with regards to an *application*, means the applicable application form (as is specified as being applicable to the *applicant’s application* in this *applications and queuing policy* or on Western Power’s website) provided by Western Power on its website, or otherwise published by Western Power, for that *application*.

“**attachment point**” means a point on the *network* at which *network assets* are connected to assets owned by another person.

“**augment**” and “**augmentation**” have the meaning given to ‘work’ in the *Code*.

{Note: Under the *Code* “work” means “any activity or undertaking in connection with the covered network, whether of a capital or non-capital nature, including the planning, designing, development, approval, construction, acquisition and commissioning of new facilities and new network assets and the procurement or provision of any good or service”.

“**bidirectional point**” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *bidirectional point*), at which electricity is to be transferred into and out of the *network*.

“**bidirectional service**” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity into and out of the *network* at the *connection point*.

“**capacity**”, with regards to a part of the *network* (including a *connection point*), refers to the maximum rate at which electricity can be transported through that part of the *network* in accordance with *good electricity industry practice*.

Deleted: “bypass”, in relation to an application (“bypassed application”), means that the first come first served principle is not applied in respect of the bypassed application.¶

“contributions policy” means the *contributions policy* in the *access arrangement*.

“charge”, for a *covered service* relating to the transfer of electricity, means the amount that is payable by a *user* to Western Power for the *covered service* under an *access contract*.

“Code” means the *Electricity Networks Access Code 2004* (as amended).

“competing”, in relation to two or more *connection applications*, means that the provision of the *covered service* sought in one *connection application* may impede Western Power’s ability to provide the *covered services* that are sought in the other *connection applications*.

“competing applications group” means a number of *applications* that are competing for access to limited network capacity and have been grouped together by Western Power.

“complete”, in relation to an *application* or *notice*, means where the *applicant* or *controller* (as applicable) has:

- (a) used reasonable endeavours to accurately and completely address each item in the applicable *application form* (including by the provision of any supporting information required by the *application form*); and
- (b) with respect to an *electricity transfer application*, provided all of the information required under clauses 3.5 and 3.6 for the *application*; and
- (c) with respect to a *connection application*, provided all of the information required under clauses 3.5 and 3.7 for the *application*,

to Western Power’s satisfaction, acting as a *reasonable and prudent person*.

“completion date” means, in relation to *works*, the date when the *works* are complete except for minor omissions and minor defects which will not prevent the use of the *works*.

“confidential information” means

(d) in the case of information disclosed by an *applicant* or a *disclosing person* to Western Power in or in connection with an *application*, information which the *disclosing person* (acting as a *reasonable and prudent person*) has identified as being commercially sensitive or confidential; and

(e) in the case of information disclosed by Western Power to an *applicant* or a *disclosing person* in connection with an *application*, information which Western Power (acting as a *reasonable and prudent person*) has identified as being commercially sensitive or confidential.

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“connection application” means an *application* lodged with Western Power under this *applications and queuing policy* that has the potential to require a modification to the *network*, including an *application* to:

- (a) connect facilities and equipment at a new connection point; or
- (b) increase consumption or generation at an existing *connection point*; or
- (c) materially modify *facilities and equipment connected* at an existing *connection point*; or
- (d) augment the *network* for any other reason,

{Note: this might be, for example, to service a subdivision.}

and includes any additional information provided by the *applicant* in regard to the *application*.

“connection point” means:

- (a) an *exit point*; or
- (b) an *entry point*; or
- (c) a bidirectional point;

identified or to be identified as such in an *access contract*.

“connection asset” has the meaning given to it in the *Code*.

{Note: Under the *Code* "connection assets" for a *connection point*, means "all of the *network assets* that are used only in order to provide *covered services* at the *connection point*".}

“consume” has the meaning given to it in the *Code*.

{Note: Under the *Code* "consume" means "to consume electricity".}

“consumption”, for a *connection point*, means the amount of electricity *consumed* at the *connection point*, and is measured in Watt-hours.

“contestable”, with respect to an *exit point*, means an *exit point* that Western Power has determined is contestable under clause 13.

“contestability threshold” in relation to an *exit point*, means the amount of electricity consumed or the estimated amount of electricity that will be consumed at the *exit point*, by a *customer* who is a member of a class of customers declared to be 'prescribed customers' as defined in section 54 of the *Electricity Corporations Act 2005* by an order made under and in accordance with section 54(4) of that Act, within the period specified in the declaration.

"contract for services" has the meaning given to it in the *Code*.

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Deleted: **“connection offer”** means an access offer made in respect of a *connection application*.⁴

{Note: Under the Code "contract for services" means "an agreement between a service provider and another person for the person to have access to services, and includes an access contract".}

"contracted capacity", for a *connection point*, means the maximum rate at which a *user* is permitted to transfer electricity to or from the *network* at the *connection point*, being either:

- (a) the rate specified in the *user's access contract* from time to time; or
- (b) if no rate is specified in the *user's access contract*, the maximum rate of electricity permitted to be transferred under the *reference service* eligibility criteria for the *reference service* for that *connection point* in the *user's electricity transfer access contract*; or
- (c) if no rate is specified in the *user's access contract* or in the *reference service* eligibility criteria, the maximum rate of electricity permitted to be transferred through the *connection assets* under the *technical rules*,

as applicable, and is measured in Watts or Volt-Amps.

"contribution" means any contribution applicable under the *contributions policy*.

"controller" means a person, which includes a *customer*, who owns, operates or controls (or will own, operate or control) *facilities* and *equipment* at a *connection point*, and who is specified by an *applicant* in an *application* in respect of the *connection point*.

"covered service" has the same meaning given to it in the Code but also includes a bidirectional service.

{Note: Under the Code "covered service" means "a service provided by means of a *covered network*, including:

- (a) a *connection service*; or
 - (b) an *entry service* or *exit service*; or
 - (c) a *network use of system service*; or
 - (d) a *common service*; or
 - (e) a *service* ancillary to a *service* listed in paragraph (a) to (d) above,
- but does not include an *excluded service*".}

"customer" has the meaning given to it in the Act.

"Customer Transfer Code" means the *Electricity Industry Customer Transfer Code 2004*, made under section 39(2)(a) 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" has the meaning given to it in the *Customer Transfer Code*.

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{Note: Under the *Customer Transfer Code* “customer transfer request” means “a request by a retailer to a network operator made using the form published under clause 4.1 to transfer a contestable customer at an exit point in the network operator’s network from one retailer to another”.}

“**de-energise**” in respect of a *connection point*, means to operate, modify or remove switching or other equipment to prevent the transfer of electricity through the *connection point*.

“**disclosing person**”, in relation to an *application*, means a person who discloses *confidential information* to Western Power in, or in connection with, an *application*.

“**electricity transfer application**” means an application lodged with Western Power under this *applications and queuing policy* seeking to obtain or modify an *entry service* or an *exit service* or a *bidirectional service*, and includes any additional information provided by the *applicant* in regard to the application.

Deleted: “**dormant application**” means a *connection application* that has been in the *queue* for longer than 12 months.¶

“**electricity transfer access contract**” means a type of *access contract* that provides the *user* with an *entry service* or *exit service* or *bidirectional service*, or any combination of the three, at a *connection point* or *connection points*.

“**enquiry**” means an enquiry by an applicant under clause 18.

“**entry point**” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *entry point*), at which electricity is more likely to be transferred into the *network* than out of the *network*.

“**entry service**” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity into the *network* at the *connection point*.

“**exit point**” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *entry point*), at which electricity is more likely to be transferred out of the *network* than into the *network*.

“**exit service**” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity out of the *network* at the *connection point*.

“**generate**” has the meaning given to it in the *Code*.

{Note: Under the *Code* “generate” means “to produce electricity”.}

“**generating plant**” has the meaning given to it in the *Code*.

Deleted: “**first come, first served**” means that Western Power will process a *connection application* with earlier *priority* before a *connection application* with later *priority* (where it is not possible or practical to process them concurrently), and that the *capacity* sought in a *connection application* with earlier *priority* will be deemed to have been reserved during the period in which the *connection application* is being processed, for the purposes of processing any competing *connection application* with later *priority*. This may result in Western Power delaying making an *access offer* to the *applicant* with later *priority* until after the *applicant* with earlier *priority* has signed an *access contract*.¶

“generation”, for a *connection point*, means the amount of electricity *generated* at the *connection point*, and is measured in kilowatts.

“generator” has the meaning given to it in the *Code*.

{Note: Under the *Code* “generator” means a person who generates electricity”}.

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

{Note: Under the *Customer Transfer Code* “incoming retailer”, in relation to a *customer transfer request* or *transfer*, means “the *retailer* that will supply a *contestable customer* after the *transfer time*”}.

“initial response” means the initial response of Western Power to an *applicant* under clause 19.1 in relation to a *connection application*.

“law” means “written law” and “statutory instruments” as defined in the *Code*, orders given or made under a written law or statutory instrument as so defined or by a government agency or authority, Codes of Practice and Australian Standards deemed applicable under a written law and rules of the general law including the common law and equity.

“lodgement fee” means the fee specified for an *enquiry or an application* in the *price list*.

“loss factor” has the meaning given to it in the *Market Rules*.

{Note: Under the *Market Rules* “loss factor” means “a factor defining the annual average marginal network loss between any given node and the Reference Node where the Loss Factor at the Reference Node is 1, determined in accordance with clause 2.27.2”}.

“market participant” means a person who, at a time after “market commencement” (as defined in the *Market Rules*) is a “market participant” (as defined in the *Market Rules*).

“Market Rules” means the rules made pursuant to the *Electricity Industry (Wholesale Electricity Market) Regulations 2004*.

“meter” has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* “meter” means “a device complying with this Code which measures and records electricity production or consumption but under clause 3.24 does not include a prepayment meter”}.

“Metering Code” means the code made under Section 39(1) of the Act in respect of a matter referred to in section 39(2)(a) of the Act, and includes any service level agreement, metering data agency agreement, communications rules, metrology procedure, mandatory link criteria and registration process developed under that code.

“metering database” means the “metering database” (as defined in the *Metering Code*) operated by Western Power under the *Metering Code*.

“metering equipment” means a *meter* or *meters* and associated equipment complying with the *Metering Code* used to measure and record electricity transferred to or from the *network* at a *connection point*, which may include the measurement of the rate of transfer and the quantity and quality of the transferred electricity.

“network” has the meaning given to “Western Power Network” in the *Code*.

{Note: Under the *Code* “Western Power Network” means “the *covered network* that is *covered* under section 3.1”. The “Western Power Network” is the portion of the SWIN that is owned by the Electricity Networks Corporation.}

“network assets” has the meaning given to it in the *Code*.

{Note: Under the *Code* “network assets”, in relation to a *network* means “the apparatus, equipment, plant and buildings used to provide or in connection with providing *covered services* on the *network*, which assets are either *connection assets* or *shared assets*”.

“Network Control Services” has the meaning given to it in the *Market Rules*.

“NMI” means National Market Identifier, which is the unique identifier assigned by Western Power to each *connection point*.

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“operational solution” means a method of satisfying a *connection application* that does not rely primarily on construction of new *network assets* or augmentation of existing *network assets*.

{Note: Examples of *operational solutions* could include generator runback schemes, load inter-trips, and off grid voltage support}

“preliminary access offer” mean an indicative and non-binding access offer that is made to an applicant within a *competing applications group*.

“premise” has the meaning given to it in the *Energy Operators (Powers) Act 1979*.

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

{Note: Under the *Customer Transfer Code* “previous retailer”, in relation to a transfer, “means the retailer that supplied the contestable customer before the transfer time”.

“price list” means the *price list* (as defined in the *Code*) in the *access arrangement*.

“priority date” has the meaning given to it in clause 3.2.

Deleted: “priority”, in relation to a *connection application*, means the priority that the applicant has, as against any other applicant with a competing *connection application*, to obtain access to *covered services*.¶

“project” means a project identified in a tender notice.

“re-energise”, in respect of a previously *de-energised connection point*, means to operate switching or other equipment so as to permit the transfer of electricity through the *connection point*.

Deleted: “queue” means a first come, first served queue, to which the *queuing rules* apply. ¶
“queuing rules” means the principles described in clause 24 that apply to determine the priority of a *connection application*.¶

“reference service” means a *covered service* designated in the *access arrangement* as a *reference service* (as defined by the *Code*).

"relocation" has the meaning given to it in the *Code*.

"reserve capacity auction" has the meaning given to it in the *Market Rules*.

{Note: Under the *Market Rules* "Reserve Capacity Auction" means "the process for determining the Reserve Capacity Price for a Reserve Capacity Cycle and the quantity of Reserve Capacity scheduled by the IMO for each Market Participant under clause 4.19".}

"retailer" has the meaning given to it in the *Act*.

"revenue meter" has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* "revenue meter" means "a meter that is used under the *Metering Code* as the source of energy data, unless the *Metering Code* permits an alternative source of energy data to be used".}

"services end date" means, in respect of a *connection point*, the date on which Western Power ends the provision of *covered services* to the *user* in respect of that *connection point*.

"services start date" means, in respect of a *connection point*, the date on which Western Power commences providing *covered services* to the *user* in respect of that *connection point*.

"shared assets" has the meaning given to it in the *Code*.

{Note: Under the *Code* "shared assets" mean "those *network assets* which are not *connection assets*".}

"signed" by Western Power or the *applicant* means duly signed or otherwise executed by or on behalf of all persons who comprise Western Power or the *applicant*, as the case may be.

"spare capacity" means the *capacity*, from time to time, of the *network*, as configured at the time of an *application*, to provide the *covered services* sought in the *application*, having regard to Western Power's contractual obligations in respect of the *network*.

"standard access contract", with respect to a *reference service*, means the *access contract* applicable to that *reference service* under the *access arrangement*.

"standing data" has the meaning given to it in the *Metering Code*.

"technical rules" means the *technical rules* (as defined in the *Code*) applying from time to time to the *network* under Chapter 12 of the *Code*, as modified in accordance with the *Code*.

"transition application" means an *application* which:

(a) seeks modifications to an *access contract* or any other *contract for services*; and

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(b) the modifications, if implemented, would not materially impede Western Power's ability to provide a *covered service* sought in one or more other *applications* compared with what the position would be if the modifications were not implemented.

“unmetered connection”, with respect to a *connection point*, has the same meaning as the term “type 7 connection point” when that term is used in the *Metering Code*.

“user” has the meaning given to it in the *Code*.

{Note: Under the *Code* “user” means “a person, including a *generator* or a *consumer*, who is a party to an [sic.] contract for services with a *service provider*, and under section 13.4(e) includes another business as a party to a *deemed access contract*”.

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

{Note: Under the *Customer Transfer Code* “verifiable consent”, in relation to a request for historical consumption data or a *customer transfer request*, means “consent that is given by a contestable customer—

- (a) expressly; and
- (b) in writing; and
- (c) after the retailer obtaining the consent has in plain language appropriate to the contestable customer disclosed all matters materially relevant to the giving of the consent, including each specific purpose for which the consent will be used; and
- (d) by a person whom a retailer (acting reasonably) would consider competent to give consent on the contestable customer's behalf; and
- (e) which has not expired under clause 1.5”.

“works” has the meaning given to it in the *contributions policy*.

{Note: Under the *Contributions Policy* “works” means “headworks and all works required to be undertaken to provide an applicant with the covered services sought by the applicant in a *connection application*, including works associated with:

- (a) augmentation of connection assets;
- (b) augmentation of shared assets;
- (c) alternative options; and
- (d) other non-capital works”.

2.2 Application of this *applications and queuing policy* to *connection applications* and *electricity transfer applications*

- (a) Part A and Part B but not Part C of this *applications and queuing policy* apply to an *electricity transfer application*.
- (b) Part A and Part C but not Part B of this *applications and queuing policy* apply to a *connection application*.

2.3 Interpretation

(a) Unless:

(i) the contrary intention is apparent; or

(ii) the term has been redefined in clause 2.

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a term with a defined meaning in the Code has the same meaning in this *applications and queuing policy*.

(b) Unless the contrary intention is apparent:

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

(ii) the *Interpretation Act 1984*,

apply to the interpretation of this *applications and queuing policy*.

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2.4 Prior applications

(a) Unused

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(b) To the extent permitted by law, an application made prior to the date of commencement of this applications and queuing policy shall be deemed to have been made under this *applications and queuing policy*, with the same priority date as the priority date under clause 3.2.

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(c) To the extent permitted by law, for the purposes of timeframes within this *applications and queuing policy* only, an application made prior to the current access arrangement period shall be deemed to have been made on the day the current access arrangement period commences.

2.5 Supplementary matters apply

Western Power and the applicant must, in accordance with section 5.28 of the Code, comply with any provisions of the *supplementary matters* relating to this *applications and queuing policy*.

2.6 Exercising an option not affected

An option granted to a user as part of the terms of an access contract to extend the duration of the access contract is not an application and is not subject to this *applications and queuing policy* if it is exercised in accordance with its terms.

3. The application

3.1 Applications to be made in good faith

Western Power and an *applicant* must act in good faith with regard to each other in relation to an *application*.

3.2 Commencing the *application* process

- (a) The *application* process is commenced by the *applicant* submitting an enquiry to Western Power.
- (b) Following Western Power's response to the enquiry, the applicant must submit:
 - (i) an *application* to Western Power on the appropriate *application form*; or
 - (ii) where permitted under this *applications and queuing policy*, notice to Western Power,

that is *complete*.

- (c) Western Power will stamp *complete* applications with the date on which the applications are lodged and *complete*, and this date will be the *priority date*. The *priority date* may change in accordance with the provisions of clause 24A.

3.3 Applicant to be market participant

An *applicant* who seeks an *exit service* or an *entry service* or a *bidirectional service*:

- (a) must submit an electricity transfer application; and
- (b) must be, or intend to be (providing reasonable proof of intent), a *market participant* at the time the electricity transfer is to take place.

3.4 Related electricity transfer application and connection application

Where

- (a) a *retailer* seeks to obtain or modify an *exit service* or an *entry service* or a *bidirectional service* on behalf of a *customer*; or
- (b) a *generator* seeks to obtain or modify an *entry service* or a *bidirectional service* on behalf of a *controller* who is not the *generator*,

and both a *connection application* and an *electricity transfer application* will be required under this *applications and queuing policy*, then the *applications* may:

- (c) be submitted concurrently by the *retailer* or *generator*; or

- (d) be submitted at different times by the *retailer* or *generator* and the *customer* or *controller* as applicable, in which case both parties are *applicants*.

3.5 Information required with all applications

All *applicants* must provide the following information to Western Power in respect of an *application* at the time of submitting the *application*:

- (a) details of the *applicant*, including:
 - (i) the full name and address of the *applicant*; and
 - (ii) whether the *applicant* is acting as agent for any person in making the *application*, and if so, details of the *applicant's* principals; and
 - (iii) whether the *applicant* is an existing *user*, and if so, details of the *applicant's* existing *access contract*,and
- (b) any conditions precedent that the *applicant* seeks to include in the resulting *access offer*; and
- (c) details of the *connection point*, including:
 - (i) the location or *NMI* of the *connection point*, as applicable; and
 - (ii) the forecast annual *consumption* of electricity, if applicable; and
 - (iii) the forecast annual *generation* of electricity, if applicable,and
- (d) such information concerning the *applicant* as Western Power requires, acting as a *reasonable and prudent person*, to assess the *applicant's* ability to meet its obligations under the resulting *access contract*.

3.6 Information required with electricity transfer applications

The *applicant* must provide the following information to Western Power in respect of an *electricity transfer application* at the time of submitting the *electricity transfer application*:

- (a) the *covered services* requested, and for each requested *covered service*:
 - (i) the requested *services start date* and requested *services end date*; and

- (ii) if the *covered service* is a *non-reference service*, then a description of the *non-reference service*, including any deviation sought from the applicable *tariff*, *service standard* or *standard access contract* for an equivalent *reference service*; and
 - (iii) if applicable, the *contracted capacity* sought for the *covered service*; and
- (b) details of the *connection point*; including
 - (i) for an existing *connection point*, any changes to be made to the *standing data* for that *connection point* as a result of the *application*; and
 - (ii) for a new *connection point*, such information regarding the *connection point* required as *standing data*; and
 - (iii) information regarding the *controller*, if the *applicant* will not be the *controller*, in compliance with the relevant provisions of the *Metering Code* in regard to the provision of *controller* information (where all references to a 'customer' under the relevant provisions of the *Metering Code* are to be read as references to the *controller* for the purposes of this clause 3.6).

3.7 Information required with connection applications

The *applicant* must provide the following information to Western Power in respect of a *connection application* at the time of submitting the *connection application*:

- (a) whether the *application* is being made in connection with a tender process; and
- (b) the *covered services* requested; and
- (c) the requested *services start date* and requested *services end date*, for;
 - (i) *works*; and
 - (ii) *covered services* involving the transfer of electricity that are likely to be sought under an associated *electricity transfer application*,as applicable, and
- (d) the *capacity* sought, if applicable; and
- (e) such information regarding the *facilities* and *equipment* at the *connection point* to the extent required by:
 - (i) the *technical rules*; and
 - (ii) Western Power acting as a *reasonable and prudent person*,

and

- (f) a full description of any exemptions to the *technical rules* sought by the *applicant* under Chapter 12 of the *Code*.

3.8 One electricity transfer access contract per connection point

Each *connection point* must be included in one and only one *electricity transfer access contract* to allow the transfer of electricity at that *connection point*.

3.9 Forecasts of information

When an *application* contains estimates or forecasts of any information:

- (a) Western Power may treat that estimated or forecast information as factual information; and
- (b) the *application* is a warranty by the *applicant* to Western Power that each such estimate or forecast is the *applicant's* best estimate or forecast acting as a *reasonable and prudent person*.

3.10 Errors or omissions in an application

- (a) If Western Power becomes aware of any material error or omission in an *application* it must immediately notify the *applicant* about it and may request information under clause 3.11.
- (b) If an *applicant* is notified by Western Power under clause 3.10(a) or otherwise becomes aware of any material error or omission in an *application*, it must amend the *application* to remedy it as soon as practicable after becoming aware of it.
- (c) If Western Power has notified the *applicant* under clause 3.10(a), the *applicant* must amend the *application* to remedy the material error or omission within 20 business days, or the *application* and any associated electricity transfer application will be deemed to have been withdrawn.
- (d) If remedying an error or omission in an *application* amounts to a material amendment to the *application*, clause 24A applies.

3.11 Additional information

- (a) At any time, Western Power may, acting as a *reasonable and prudent person*, request the *applicant* to provide further information that Western Power reasonably requires to enable it to process the *application*.

- (b) If Western Power has notified the *applicant* under clause 3.11(a), the *applicant* must amend the *application* to provide the additional information within 20 business days, or the *application* and any associated electricity transfer application will be deemed to have been withdrawn.
- (c) If providing additional information for an *application* amounts to a material amendment to the *application*, clause 24A applies.

3.12 Western Power must be expeditious and diligent

Western Power must process an *application* expeditiously and diligently.

3.13 Amendment and withdrawal of application

- (a) An *applicant* may at any time by notice in writing to Western Power, amend an *application*.
- (b) If an amendment to an *application* results in a change to the original *lodgement fee*, Western Power may charge the applicant the new *lodgement fee* or refund part of the original *lodgement fee*, having regard for the work already completed in processing the *application*.
- (c) An *applicant* may at any time before it enters into an *access contract*, by notice in writing to Western Power, withdraw an *application*.
- (d) Unused.
- (e) Without limiting this clause 3.13, an amendment to an *application* may include a change to the identity of the *applicant* in which case the other information in the *application* must also be amended.

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3.14 Applications do not expire

An *application* does not expire due to the passage of time.

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4. The access offer

4.1 Access offer to be signed by Western Power

Western Power must present the *access offer* in such a form that it can, without anything else being required, become or modify an *access contract* or *access contracts* when signed by an *applicant*.

4.2 If application requests reference service

If an *application* requests a *reference service*, then the *access offer* must be on materially the same terms as the *standard access contract* applicable to the *reference service*.

4.3 If application requests non-reference service

If an *application* requests a *non-reference service*, then the terms of the *access offer* must be:

- (a) consistent with the *Code objective*; and
- (b) reasonable; and
- (c) subject to this *applications and queuing policy*, as similar as practicable to those terms requested in the *application* dealing with the relevant matter, and negotiated in good faith by the *applicant* and Western Power during the processing of the *application*.

4.4 Services start date and services end date

The *services start date* and the *services end date* specified in the *access offer* must be as close as practicable to the *services start date* and the *services end date* sought in the *application*.

4.5 Conditions precedent permitted in access contract

Western Power and an *applicant* must negotiate in good faith regarding any conditions precedent that the *applicant* or Western Power seek to have included in an access contract in order to achieve the objectives set out in clause 4.6. For the avoidance of doubt, Western Power may require a condition precedent in the access contract that:

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- (a) The works involved in providing access to the applicant pass a regulatory test (if required); and
- (b) Other applicants that are:
 - (i) in the same competing applications group as the applicant; and
 - (ii) have been or are subsequently offered access contracts.enter those access contracts with Western Power and that any conditions precedents in those access contracts are fulfilled.

4.6 Objectives with regard to conditions precedent

The objectives of this *applications and queuing policy* with regard to conditions precedent are:

- (a) conditions precedent in *access contracts* should facilitate the development of electricity *consuming* and *generating* projects and provide flexibility; and

- (b) conditions precedent should not unduly impede the ability of Western Power to provide *covered services* to competing applicants or cause uncertainty and delay; and

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- (c) conditions precedent should not constitute an inappropriate barrier to entry into a market or be for the purpose of hindering or preventing access by any person to *covered services*.

4.7 Conditions precedent and determination of spare capacity

In determining whether there is sufficient *spare capacity* to provide *covered services* requested in an *application*, Western Power must regard any existing access contracts with conditions precedent as being unconditional.

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4.8 Conditions precedent not longer than 8 months

- (a) Western Power and an *applicant* may not enter into an *access contract* that contains a condition precedent for which a period of longer than 8 months from the date the *access contract* was entered into is allowed for its fulfilment.
- (b) If, after 8 months, a condition precedent in an *access contract* has not been fulfilled, then:
- (i) if there is no *competing application*, Western Power and the relevant *user* may agree within 20 *business days* to extend the period in the *access contract* allowed for the satisfaction of conditions precedent by up to a further 6 months; or
 - (ii) if there is a *competing application*, then, subject to clause 6, Western Power and the existing *user* must negotiate in good faith within 20 *business days* to accommodate both the *user's* and the *competing applicant's* requirements.

{Note: this might mean sharing the costs of *augmentation* as calculated under the *contributions policy*, or some other means of resolving the conflict.}

- (c) If no agreement is reached under clause 4.8(b), then either Western Power or the user may:
- (i) terminate the *access contract*; or
 - (ii) waive any conditions precedent that are for the benefit of that party if that would result in the *access contract* becoming unconditional; or
 - (iii) refer this matter to the *Arbitrator* as an *access dispute*.

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4.9 Security

- (a) Subject to clause 4.9(b), if there is a material risk that the *applicant* will be unable to meet any or all of its liabilities under an *access contract* resulting from the *applicant's application*, then Western Power may require the *applicant* to procure:
 - (i) an indemnifier acceptable to Western Power (acting as a *reasonable and prudent person*) who will agree to be a party to the *access contract* and indemnify Western Power in respect of those liabilities; or
 - (ii) a guarantor acceptable to Western Power (acting as a *reasonable and prudent person*) to provide a guarantee in favour of Western Power substantially in the form set out Schedule 1,
- (b) If an *applicant* has an unqualified credit rating of at least:
 - (i) BBB from Standard and Poor's Australia Pty Ltd; or
 - (ii) Baa from Moody's Investor Service Pty Ltd,and provides evidence to this effect to Western Power, without limiting the User's security obligations related to clause 4.9(c), then Western Power is not entitled to require the User to provide the security under clause 4.9(a).
- (c) Notwithstanding an *applicant* providing evidence that it has an unqualified credit rating in accordance with clause 4.9(b), Western Power may, as a condition under an *access contract* or otherwise, require the *user or indemnifier* to provide an irrevocable and unconditional bank guarantee or equivalent financial instrument in terms acceptable to Western Power (acting as a *reasonable and prudent person*), guaranteeing the value of any amount of any *contribution* that remains unpaid or not provided at the time of requirement.
- (d) Western Power may perform a security assessment under this clause 4.9 prior to making an *access offer*.

4.10 Arbitrator's powers preserved

Nothing in this clause 4 limits the *Arbitrator's* power to make an award compelling Western Power to provide access to a *covered service* on terms specified in the award.

5. Entering into or modifying an access contract

5.1 When *access offer* becomes *access contract*

- (a) An *access offer* becomes an *access contract*, or modifies an existing *access contract* in accordance with the terms of that *access contract*, as applicable, when *signed* by both parties.

- (b) Western Power must *sign* the *access offer* before giving the *access offer* to the *applicant*.

5.2 Applicant's options on receipt of an access offer

The *applicant* must as soon as practicable, and in any event within 30 *business days* after receipt of an *access offer*, either:

- (a) *sign* the *access offer*, thereby entering into an *access contract* or modifying an existing *access contract*, as applicable; or
- (b) by notice to Western Power reject the *access offer* and request amendments to the *application*; or
- (c) by notice to Western Power withdraw the *application*,

and if 30 *Business Days* after receipt of the *access offer* the *applicant* has not complied with any of clauses 5.2(a), 5.2(b), or 5.2(c), then (unless the *Arbitrator* makes an order extending the time limit on the ground that the delay is beyond the *applicant's* reasonable control) the *applicant* is to be taken to have withdrawn its *application* and any associated electricity transfer application.

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5.3 If applicant rejects access offer and requests amendments

If the *applicant* rejects an *access offer* and requests amendments to the *application* under clause 5.2(b), Western Power and the applicant must negotiate in good faith regarding the application, but if Western Power and the applicant have not signed an access contract (including an access contract with conditions precedent) within 30 business days, then the connection application and any associated electricity transfer application will be deemed to have been withdrawn.

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5.4 If applicant accepts access offer

If the *applicant* signs the *access offer*, it must:

- (a) forthwith give written notice of the *signing* to Western Power;
- (b) as soon as practicable procure the stamping of the *signed access contract*, if applicable, and pay all stamp duties that are assessed by the Office of State Revenue on the *access contract*; and
- (c) as soon as practicable thereafter give to Western Power at least one original copy of the *signed* and stamped *access contract*.

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<#>address the amended application in accordance with this applications and queuing policy; and¶
<#>make a further access offer to the applicant as soon as practicable in accordance with this applications and queuing policy.¶

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5.5 Connection application ceases to exist after signing

Upon both Western Power and the applicant signing an access contract, and any conditions precedent in the access contract being fulfilled, the application in relation to which the access contract was entered ceases to exist.

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6. Confidentiality**6.1 Confidential information**

Information which Western Power is required to disclose under clauses 24.9(a), 24.9(b), or 24.9(c) is not confidential information.

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6.2 Confidential information must not be disclosed

Western Power, an *applicant* or a *disclosing person* must not disclose *confidential information* unless:

- (a) the disclosure is made to the *Authority* on a confidential basis; or
- (b) the disclosure, where it is made by an *applicant* or a *disclosing person*, is made to a *worker* of Western Power who is bound by an adequate confidentiality undertaking; or
- (c) the disclosure is made with the consent of the *disclosing person*; or
- (d) the disclosure is required or allowed by law, or by the *Arbitrator* or another court or tribunal constituted by law; or
- (e) the information has entered the public domain other than by breach of this clause 6.2; or
- (f) the information could be inferred by a *reasonable and prudent person* from information already in the public domain.

5 Part B – Electricity transfer applications**7. Costs and timing of processing electricity transfer applications****7.1 Where applicant seeks a reference service**

- (a) An *applicant* who seeks a *reference service* must pay to Western Power the *lodgement fee* in the *price list* specified as being applicable to the *applicant's application* in this *applications and queuing policy*, which will be either:
 - (i) a new *connection point* fee; or
 - (ii) an *access contract* modification fee; or

- (iii) a new *access contract* fee.
 - (b) If the *applicant* is not an existing *user*, then the *lodgement fee* must be paid at the time the *applicant* lodges its *electricity transfer application*.
 - (c) If the *applicant* is an existing *user*, then the *lodgement fee* will be added to the next invoice under the *user's* existing *access contract*.
 - (d) Western Power must notify the *applicant* that it has received the *applicant's electricity transfer application* within 5 *business days*.
 - (e) Subject to Western Power performing a security assessment under clause 4.9, if the *applicant* is an existing *user* and selects a *reference service*, then Western Power must use reasonable endeavours to make an *access offer*, by notice to the *applicant*, to modify the *applicant's access contract*:
 - (i) within 5 *business days* of receiving the *complete electricity transfer application*; or
 - (ii) within 5 *business days* of an *access offer* being signed by an *applicant* for any associated *connection application*,
- whichever is later.
- (f) Subject to Western Power performing a security assessments under clause 4.9, if the *applicant* is not an existing *user*, and selects a *reference service*, Western Power must use reasonable endeavours to make an *access offer*:
 - (i) within 10 *business days* of receiving the *complete electricity transfer application*; or
 - (ii) within 5 *business days* of an *access offer* being signed by an *applicant* for any associated *connection application*,

whichever is later.

7.2 Where applicant seeks a non-reference service

- (a) An *applicant* seeking a *non-reference service*, including, but not limited to, an *exit service* or an *entry service* or a *bidirectional service* with a different *tariff* or a different *access contract* than for an equivalent *reference service*, then the *applicant* must, when requested by Western Power, pay an amount to Western Power in respect of a reasonable cost incurred, or to be incurred within a reasonable timeframe, in processing the *application*.

- (b) The total of the costs referred to in clause 7.2(a) must not exceed the reasonable costs which would be incurred by a prudent *service provider*, acting efficiently and in good faith, seeking to achieve the lowest practicable cost of processing the *application*.
- (c) The costs referred to in clause 7.2(a) must not include any costs of Western Power in relation to an *access dispute* (which are to be awarded by the *Arbitrator* under Chapter 10 of the Code).
- (d) If an *applicant* selects a *non-reference service*, then Western Power must make an *access offer* as soon as practicable after the *complete application* is lodged, having regard to the nature of the *non-reference service* being sought by the *applicant*.

7.3 Connection application costs not affected

Nothing under this Part B affects costs applicable for a *connection application*.

7.4 Variation from this applications and queuing policy

An *applicant* and Western Power may agree to deal with any matter in connection with the *applicant's application* in a manner different to the treatment of the matter in this *applications and queuing policy* as long as the ability of Western Power to provide a *covered service* that is sought by another *applicant* is not impeded.

8. Eligibility criteria for reference services

If an *applicant* seeks a *reference service* and Western Power is satisfied as a *reasonable and prudent person* that the *applicant* does not meet the eligibility criteria given in the *access arrangement* for the *reference service*, then Western Power may reject the *applicant's electricity transfer application*.

9. Electricity transfer application for a new connection point

9.1 Customer transfer request

- (a) An *incoming retailer* may lodge a *customer transfer request* with Western Power with respect to a *contestable exit point*. With respect to the *customer transfer request*:
 - (i) Western Power, the *incoming retailer* and the *previous retailer* must comply with the *Customer Transfer Code*; and
 - (ii) except as specified in this clause 9, this *applications and queuing policy* does not apply.
- (b) Western Power must not process the *customer transfer request* if it determines under clause 13 that the *exit point* is not *contestable*.

- (c) Western Power must process a *customer transfer request* such that the *incoming retailer* receives the same *covered service* at the same *contracted capacity* as the *previous retailer*.
- (d) The *exit point* must be transferred as a complete and indivisible unit such that all associated *meters* are transferred in one transaction.
- (e) If the *incoming retailer* seeks to modify the *covered service* with respect to an *exit point* that has been the subject of a *customer transfer request*, then that *incoming retailer* must make an *application* under this *applications and queuing policy* as a separate transaction after the *customer transfer request* has been processed.

9.2 Creating a new connection point or connecting new generating plant

- (a) An *applicant* who seeks to create a new *connection point* or to install new *generating plant* at an existing *connection point* must:
 - (i) submit an *electricity transfer application* on the *application form* that is applicable for the type of *facilities and equipment* to be *connected* at the *connection point*; and
 - (ii) submit, or procure that its *customer* submits, a *connection application*.
- (b) If the *applicant* is seeking a *reference service*, then:
 - (i) if the *applicant* is an existing user, the new *connection point lodgement fee* applies to the *application*; or
 - (ii) if the *applicant* is not an existing user, the new *access contract lodgement fee* applies to the *application*,but if the *applicant* is seeking a *non-reference service* then clause 7.2 applies to the *application*.
- (c) If an *applicant* submits an *electricity transfer application* subsequent to Western Power making an *access offer* for an associated *connection application* (to the *applicant*, its *customer* or another person) and:
 - (i) the *capacity*; or
 - (ii) the *services start date* (as relates to the transfer of electricity); or
 - (iii) the *services end date* (as relates to the transfer of electricity),

sought in the *connection application* and the *electricity transfer application* are not the same, such that the application of the *contributions policy* based on the information in the *electricity transfer application* would produce a *contribution* different to that specified in the *access offer* for the associated *connection application*, then Western Power may:

- (iv) where the *contribution* would be higher to that specified in the *access offer*, require the *applicant* to pay the difference; or
- (v) where the *contribution* would be lower to that specified in the *access offer* and the *contribution* specified in the *access offer* has been paid by the *applicant*, rebate the difference to the person who paid a *contribution* in respect of the *connection application*,

as applicable.

- (d) The *services start date* for the covered services sought under the *electricity transfer application* will be the later of:
 - (i) the *services start date* (as relates to the transfer of electricity) sought in the *connection application*; or
 - (ii) the *services start date* sought in the *electricity transfer application*; or
 - (iii) the *completion date* of any works resulting from the *connection application*.

10. Electricity transfer application to modify an existing covered service

10.1 Selection of different covered service or selection or modification of an existing non-reference service

- (a) An *applicant* may make an *electricity transfer application* to select a different *reference service*, or to select or modify a *non-reference service*, with respect to a *connection point* in the *applicant's access contract*, by notice to Western Power.
- (b) If the *applicant* is seeking a *reference service*, then the new *connection point lodgement fee* applies to the *application*.
- (c) If the *applicant* is seeking a *non-reference service* then clause 7.2 applies to the *application*.
- (d) If Western Power considers, as a *reasonable and prudent person*, that the requested change in covered service indicates that the *applicant* will require a *greater capacity*, then:

- (i) Western Power must notify the *applicant* within 5 business days whether the *applicant* must also submit, or procure that its *controller* submits, a *connection application* for an increase in *contracted capacity*; and
- (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 10.1(d)(i), from the date Western Power received the *electricity transfer application electricity transfer application* under clause 10.1(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.
- (e) If the *application* requests a new *covered service* that is serviced at a different voltage than the existing *covered service*, then Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*.

10.2 Increase or decrease in contracted capacity

- (a) An *electricity transfer application* to increase or decrease *contracted capacity* with respect to an existing *covered service* under the *applicant's access contract* may be made by notice to Western Power.
- (b) The *lodgement fee* for an *access contract* modification applies to the *applicant's application*, plus any costs for any associated *connection application*.
- (c) Western Power must notify the *applicant* whether or not it accepts the increase or decrease in *contracted capacity* within 5 *business days* of receipt by Western Power of the *applicant's* notice under clause 10.2(a) (or such further time as a prudent *service provider* would reasonably require to consider such *application*).
- (d) Western Power must accept the increase or decrease in *contracted capacity* if it forms the view as a *reasonable and prudent person* that:
 - (i) accepting the increase or decrease in *contracted capacity* would not be likely to impede the ability of Western Power to provide a *covered service* sought in an *application* lodged by another *applicant*; and
 - (ii) it is not likely that an *augmentation* or any *work* would be required to provide the increase or decrease in *contracted capacity*, and
 - (iii) in the case of a second or further *application* or notice in any rolling period of 12 months, the additional *applications* or notice satisfies clause 10.3.

- (e) If Western Power determines that it cannot form the view required for acceptance of the increase or decrease in *contracted capacity* under clause 10.2(d), then:
- (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 10.2(e)(i), from the date Western Power received the *electricity transfer application* under clause 10.2(a); and
 - (B) otherwise, from the date Western Power received the complete *connection application*.

10.3 More than 1 change or modification within 12 months

If Western Power receives:

- (a) more than 1 *application* or notice under clause 10.1; or
- (b) more than 1 *application* or notice under clause 10.2,

seeking to change the *covered service*, including to decrease or increase the contracted capacity, with respect to a single *connection point* in any rolling period of 12 months, then in relation to each additional *application* or notice Western Power:

- (c) may, subject to this clause 10, accept the change of *covered service*, where Western Power is satisfied, as a *reasonable and prudent person*, that the new *covered service* will be sufficient to meet the actual requirements of the *applicant*, and that it is required by reason of one or more of the following circumstances:
- (i) a change in the actual *consumption* or *generation* by the *applicant* in respect of that *connection point* over the 12 month period prior to the *applicant* giving notice under clause 10.1(a) or 10.2(a) (as applicable), as recorded by the *metering equipment*; or
 - (ii) a change in the nature of the business or operation conducted at the connection point; or
 - (iii) a shutdown of the business or operation conducted at the connection point (including a shutdown for maintenance purposes) for longer than 1 continuous month; or
 - (iv) a rapid increase or decline in the business at the connection point; or

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- (v) a decrease in the number of capacity credits (as defined in the Market Rules) allocated to any generating plant at the connection point under the Market Rules; or
 - (vi) as part of a *relocation* or; or
 - (vii) some other special circumstance,
- and

(d) is entitled to refuse the change in *covered service* where Western Power is satisfied, as a *reasonable and prudent person*, that the change is sought by reason of the seasonal nature of the business or operation at the *connection point*.

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10.4 Modification of generating plant

- (a) An *applicant* must make a *connection application* before materially changing any of those characteristics of *generating plant connected* at a *connection point* required to be provided in the applicable *application form*.
- (b) If the *applicant signs* an *access offer* in respect of the *connection application*, then the parties must amend the *applicant's access contract* accordingly.

11. De-energisation and re-energisation

11.1 De-energisation

A request by a *user* to Western Power to *de-energise* an existing *connection point* under the *user's access contract* or applicable *laws* is not an *application* and this *applications and queuing policy* does not apply to it.

11.2 Re-energisation

- (a) An *applicant* who seeks to *re-energise* an existing *de-energised connection point* must submit an *electricity transfer application* on the *application form* that is applicable for the type of *facilities and equipment connected* or to be *connected* at the *connection point*.
- (b) If the *applicant* does not have an *electricity transfer access contract*, then the *lodgement fee* for a new *access contract* applies to the *application*, plus costs associated with the *re-energisation* under the *Metering Code*.
- (c) If the *de-energised connection point* is not on the *applicant's electricity transfer access contract*, then the *lodgement fee* for a new *connection point* applies to the *application*, plus costs associated with the *re-energisation* under the *Metering Code*.

- (d) If the *de-energised connection point* is on the *applicant's electricity transfer access contract*, then only the costs associated with the *re-energisation* under the *Metering Code* apply to the *application*.
- (e) Subject to clause 11.2(g), Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the request for *re-energising*.
- (f) If Western Power determines that it cannot accept the request for *re-energising* under clause 11.2(e), then:
 - (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 11.2(f)(i), from the date Western Power received the *electricity transfer application* under clause 11.2(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.
- (g) Nothing in clause 11.2 derogates from the obligations of Western Power to *re-energise* a *connection point* within the timeframes specified in clause 8.2 of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2004* or regulations 7 and 8 of the *Electricity Industry (Obligations to Connect) Regulations 2005*.

12. Electricity transfer application to obtain a new access contract

- (a) An *applicant* who seeks a new *access contract*, other than under clauses 8 to 11, may make an *electricity transfer application* by notice to Western Power.
- (b) If an *applicant* makes an *application* under clause 12(a), then:
 - (i) if the *applicant* seeks a *standard access contract*, then the *lodgement fee* for a new *access contract* applies to the *application*; or
 - (ii) if the *applicant* seeks an *access contract* that is materially different to a *standard access contract*, then clause 7.2 applies to the *application*.

13. Contestability assessment

13.1 Western Power must perform contestability assessment

- (a) When:
 - (i) an *applicant* makes an *electricity transfer application* or a *connection application* to establish a new *exit point*; or
 - (ii) an *incoming retailer* makes a *customer transfer request* with regard to an *exit point*,

Western Power must determine if the *exit point* is, or will be, *contestable* under clause 13.2.

- (b) Western Power must perform an assessment under this clause 13 within 5 *business days* of the event that triggered the assessment.

13.2 Rules for contestability

Western Power must determine that an *exit point* is *contestable* where:

- (a) Western Power has previously determined that the *exit point* is *contestable*; or
- (b) the latest 12 months' actual *consumption* at the *exit point* is equal to or greater than the *contestability threshold*; or
- (c) the latest 12 months' actual *consumption* at the *exit point* is below the *contestability threshold*, or 12 months actual *consumption* data does not exist, but Western Power considers, as a *reasonable and prudent person*, that the *consumption* during the next 12 months will be above the *contestability threshold*,

and otherwise Western Power must determine that the *exit point* is not *contestable*.

13.3 Rejection of application

Where Western Power is not authorised under the *Act* or other *written law* to make an *access offer* for an *application* relating to an *exit point* that is not *contestable*, Western Power must reject the *application*.

{Note: Under section 54 of the *Electricity Corporations Act 2005* Western Power is prohibited from making an *access offer* to an *applicant* to provide *covered services* to that *applicant* at or for an *exit point* that is not *contestable*, except where the *applicant* is the 'Electricity Retail Corporation' (as defined in section 3 of the *Electricity Corporations Act 2005*) or a subsidiary of the Electricity Retail Corporation.)

14. Connection point configuration

14.1 Rules for mapping network assets to a single connection point

Western Power must comply with the following when determining the configuration of a *connection point*:

- (a) the proposed configuration must meet the *WA Electrical Requirements*, made pursuant to regulation 49 of the *Electricity (Licensing) Regulations 1991*; and
- (b) a *connection point* may be associated with one or more *revenue meters* which measure and record *energy data*, or none if it is an *unmetered connection point*; and
- (c) if the *connection point* is associated with more than one *revenue meter*, they must be either all *interval meters* or all *accumulation meters*, and not a combination of *interval meters* and *accumulation meters*; and
- (d) a *connection point* may ~~comprise~~ more than one *attachment point* to the network ~~provided that~~ each *attachment point* is ~~to the same lot or premises and is~~ operated at the same voltage; and
- (e) a *connection point* must have one and only one *controller* at the *connection point*; and
- (f) a *connection point* must have only one type of *exit service*, if any, and only one type of *entry service*, if any, and only one type of *bidirectional service*, if any; and
- (g) a *connection point* must have only one applicable *loss factor*.

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14.2 One NMI per connection point

Western Power must allocate one *NMI* per *connection point*.

14.3 Combining multiple connection points into a single connection point

- (a) A person may make an *electricity transfer access application* to have multiple *connection points* supplying a single *premise* or adjacent *premises* of a single commercial or industrial complex combined into a single *connection point*, subject to clause 14.1, by notice to Western Power.
- (b) The *lodgement fee* for a new *connection point* applies to an *application* made under clause 14.1.
- (c) Where an *applicant* applies under clause 14.3(a), the *applicant* must demonstrate that the *connection points* are integral to a single business.

{For example, a supermarket acquiring adjacent *premises* to its existing *premises* with the intention of expanding its operation across these *premises* can combine the two *exit points* into a single *exit point*.}

- (d) A *retailer* must have *verifiable consent* from its *customer* before making an *electricity transfer application* to change the configuration of a *connection point*.
- (e) Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the *application*.
- (f) If Western Power determines that it cannot accept the *application* under clause 14.3(e), then:
 - (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 14.3(f)(i), from the date Western Power received the *electricity transfer application* under clause 14.3(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.

14.4 Separating a single connection point to create multiple connection points

- (a) An *applicant* may make an *electricity transfer application* to divide a single *connection point* into multiple *connection points*, subject to clause 14.1.

{Note: This might occur, for example, to allow the new *connection points* to be migrated to a different *user's access contract*.}
- (b) Each *connection point* created under clause 14.4(a) must have its own *metering equipment*.
- (c) Western Power must determine the *contestability* of each new *exit point* created under clause 14.4(a) separately.
- (d) A *retailer* must have *verifiable consent* from its *customer* before making an *electricity transfer application* to change the configuration of a *connection point*.
- (e) Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the *application*.
- (f) If Western Power determines that it cannot accept the *application* under clause 14.4(e), then:

- (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
- (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 14.4(f)(i), from the date Western Power received the *electricity transfer application* under clause 14.4(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.

15. **Time to perform obligations**

15.1 Extension of time to perform obligations

- (a) If:
 - (i) Western Power (acting as a *reasonable and prudent person*) has requested further information from an *applicant* under clause 3.11 which it reasonably requires to process an *electricity transfer application*; and
 - (ii) the request was made as soon as Western Power became aware that it required the information; and
 - (iii) Western Power has expeditiously and diligently progressed the processing of the *electricity transfer application* before making the request, after receiving the information and (to the extent possible) between making the request and receiving the information,then the time period for complying with any obligation under this *applications and queuing policy* is extended by an amount of time equal to the time taken by the *applicant* to comply with the request.
- (b) Without limiting the generality of clause 2.5, an *applicant* and Western Power may agree to extend any one or more of any of the time periods set out in this *applications and queuing policy* on one or more occasions, and:
 - (i) the time period is extended by the amount of time agreed; and
 - (ii) unless otherwise agreed, the time for complying with any other obligation is extended by the same amount of time.

15.2 Concurrent applications

Western Power must use reasonable endeavours to comply with the timeframes set out in this *applications and queuing policy* in respect of each *electricity transfer application* which is lodged with Western Power, whether or not it is processing more than one *electricity transfer application* concurrently.

6 Part C – Connection applications

16. Specific connection applications

16.1 Connection application for a new connection point

- (a) An *applicant* who seeks to create a new *connection point* or to install new *generating plant* at an existing *connection point* must:
 - (i) submit a *connection application* on the *connection application form* that is applicable for the type of *facilities and equipment* to be *connected* at the *connection point*; and
 - (ii) submit, or procure that its *retailer* submits, an *electricity transfer application* under Part B of this *applications and queuing policy*.

16.2 Connection application for an increase or decrease of contracted capacity

- (a) If, after processing an *electricity transfer application* under clause 10.2, Western Power requires a *connection application*, then the *user* must submit or, if applicable, procure that its *customer* submits, a *connection application* on the *connection application form* that is applicable for the type of *facilities and equipment* that is *connected* at the *connection point*.
- (b) If a *customer* submits a *connection application* with respect to a *connection point* that will result in an increase to the *contracted capacity* of the *customer's retailer* for that *connection point*, then the *customer* must procure that its *retailer* submit an associated *electricity transfer application* under Part B of this *applications and queuing policy*.

16.3 Connection application to modify generating plant

If an *applicant* seeks to materially change the characteristics of *generating plant* *connected* at a *connection point*, then the *applicant* must complete those parts of the appropriate *application form* that deal with those characteristics, and include any additional information specified in the *application form* (which might include equipment schedules, drawings and computer models) that Western Power, as a *reasonable and prudent person*, might require to assess the impact of the modification on the *network* and other *users*.

16.4 Connection application to modify or augment the network

- (a) An *applicant* who seeks to modify or *augment* the *network* other than under clause 16.1 must submit a *connection application* on the applicable *connection application form*.

{Note: This might apply to, for example, a developer seeking to service a subdivision, a builder seeking a temporary supply, or a person seeking to relocate network assets.}

- (b) If there is no applicable *application form* provided for a *connection application* then the *applicant* may submit its *connection application* by notice to Western Power.

17. Lead time for connection applications

An *applicant* must endeavour to lodge a *connection application* to Western Power within a reasonable time before the requested *services start date*, having regard for:

- (a) the time required to determine if any *works* are required, and if so then the time required to plan, design, cost, approve, finance, construct and commission the *works*, including, if applicable, the time required to perform a *regulatory test*; and
- (b) the time required to finalise an *access offer* for the *connection application*; and
- (c) if the *applicant* has requested a derogation from the *technical rules*, then the time required to process this request.

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17A. Pre-enquiry discussions

17A.1 Applicant may contact Western Power

A party considering making an application may contact Western Power to discuss a proposed connection application with Western Power. Western Power will provide reasonable assistance to such applicants but this will not include undertaking studies for the applicant.

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17A.2 Informal discussions not binding

The discussions under this clause 17A are not binding on Western Power, and Western Power is not liable for any error or omission that is made as a *reasonable and prudent person* in the discussions under this clause 17A.

18. Enquiry stage

18.1 Compulsory enquiry notification

Where an *applicant* expects, in good faith, to proceed to a *connection application*, then prior to lodging a *connection application* with Western Power, the *applicant* must lodge an *enquiry* with Western Power to notify Western Power of the proposed *connection application*, and may request a preliminary assessment under clause 19.3, and Western Power must engage in such discussions in good faith and use all reasonable endeavours to satisfactorily and promptly address any matters raised by the *applicant*.

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18.2 Applicant may request studies and information

An *applicant* may request Western Power to undertake system studies or perform other work necessary to assist the *applicant* in preparing its *connection application*, in which case:

- (a) Western Power must endeavour to perform such work within a reasonable time, provided it does not affect the timing and cost of processing *applications*; and
- (b) unused; and
- (c) clause 20 applies.

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{This might occur, for example, if the *applicant* needs input into feasibility studies to determine which of its potential projects proceeds to an *application*.}

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18.2A Western Power to issue an enquiry response letter at conclusion of enquiry stage

At the conclusion of the *enquiry* stage, Western Power must issue an *enquiry* response letter to the *applicant* setting out a description of the information required for a *complete* application, and the results of any assessment that it may have carried out to indicate the extent of any *spare capacity* available to provide *covered services*.

18.3 Enquiry response letter and discussions not binding

The *enquiry response letter* and discussions under this clause 18 are not binding on Western Power, and Western Power is not liable for any error or omission that is made as a reasonable and prudent person in the *enquiry response letter* and discussions under this clause 18.

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18.4 Fee payable

At the time that the *applicant* lodges an *enquiry* under this clause 18, Western Power may charge a non-refundable fixed fee for processing the *enquiry*. For the avoidance of doubt, this is in addition to any other payment, charge for costs, or fee.

19. Reporting during the processing of the connection application

19.1 Initial response

- (a) Subject to clause 19.1(b), Western Power must provide an *initial response* to the *applicant* within 20 *business days* of receiving the *applicant's connection application*, specifying:
 - (i) the time by which Western Power will provide a preliminary assessment under clause 19.3 with regards to the *connection application* (if requested); and
 - (ii) the time by which Western Power expects to make an *access offer*;
 - (iii) unused
- (b) If, by the time by which Western Power is required to give an *applicant* an *initial response* under clause 19.1, Western Power has given the *applicant* an *access offer*, Western Power is not required to provide an *initial response* to the *applicant*.

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19.2 Initial response is not binding

An *initial response* is not binding on Western Power, and Western Power is not liable for any error or omission, which is made as a *reasonable and prudent person*, in an *initial response*.

19.3 Preliminary assessment

A preliminary assessment with regards to a *connection application* may consist of an assessment as to:

- (a) whether it is likely that there is sufficient *spare capacity* to provide the requested *covered services* or whether any *works* might be required to provide the *covered services*, including whether it is likely that any new *connection assets* will be required to provide the *covered services* requested in the *application*; and
- (a2) whether any other applications are competing with the application and the possible grouping of the application with competing applications into one or more competing applications groups; and
- (b) if it is likely that *works* will be required – operational and technical details of the *works*; and
- (c) if it is likely that *works* will be required – whether or not a *contribution* will likely be required from the *applicant* under the *contributions policy* and a good faith estimate of the approximate amount of the *contribution*; and

- (d) if it is likely that *works* will be required – a good faith estimate of the likely time required for the planning, designing, approving, financing, construction and commissioning, as applicable, of any necessary *augmentation* or *works*; and
- (e) Western Power’s proposal for processing the *application*, if applicable under clause 20.2.

19.4 Updates and progress reporting

- (a) An *applicant* must advise Western Power if there is a material change in any information previously provided by the applicant as part of the applicant’s application.
- (b) Western Power must upon request by the *applicant* (which request must not be made more frequently than once per month, and must not be made less than one month following the provision of an *initial response*) provide a progress report to the *applicant* containing information in reasonable detail regarding the processing of the *connection application*, including whether there has been any material change in any estimates of scope, costs or times, either for processing the *connection application* or for any *works* that might result from the *connection application*, previously provided by Western Power.

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20. Connection application costs

20.1 Applicant must pay costs

- (a) If:
 - (i) The applicant lodges an enquiry under clause 18, and the applicant requests Western Power to perform any system or other studies, prepare detailed cost estimates or do any other work to assist the *applicant* prior to the *applicant* lodging a *connection application*; or
 - (ii) an *applicant* has submitted a *connection application*, and has agreed for Western Power to perform any system or other studies, prepare detailed cost estimates or do any other work to process the application, under clause 20.1 or clause 20.3.

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then the *applicant* must, when requested by Western Power, pay to Western Power its reasonable costs incurred, or to be incurred within a reasonable timeframe, in processing the enquiry or connection application.

- (b) The total of the costs referred to in clause 20.1(a) must not exceed a genuine pre-estimate of the reasonable costs which would be incurred by a prudent service provider, acting efficiently and in good faith, in accordance with good electricity industry practice, seeking to achieve the lowest practicable cost of processing the connection application.
- (b1) For the avoidance of doubt, Western Power may charge applicants other fees and charges in addition to the costs referred to in this clause, and the provisions of clause 20.1(b) do not apply to such other fees and charges. Such fees include the application fees referred to in clause 7.1, the enquiry fee referred to in clause 18.4, the preliminary offer processing fee referred to in clause 24.3, and the preliminary acceptance fee referred to in clause 24.5(b).
- (c) The costs referred to in clause 20.1(a) must not include any costs of Western Power in relation to an access dispute (which are to be awarded by the Arbitrator under Chapter 10 of the Code).

20.2 Processing proposal

Where Western Power expects that it will seek to recover costs from an *applicant* under clause 20.1 or clause 20.3:

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- (a) Western Power must provide a proposal to the *applicant* outlining the scope, timing and a good faith estimate of the likely costs to be incurred for processing the connection application; and
- (b) the *applicant* may request amendments to the scope of work in the proposal, in which case Western Power and the applicant must negotiate in good faith regarding the proposal. If Western Power and the applicant have not agreed within 60 business days on the scope of the work in the proposal, then the connection application and any associated electricity transfer application will be deemed to have been withdrawn; and

Deleted: with the applicant

{Note: This might occur, for example, where the *applicant* is able to perform some of the works itself.}

- (c) the *applicant* may reject the proposal, in which case the connection application and any associated electricity transfer application are deemed to have been withdrawn; and
- (d) the *applicant* may at any time request Western Power to cease processing the connection application, in which case the connection application and any associated electricity transfer application are deemed to have been withdrawn and Western Power must cease all work on the application.

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- (e) Where Western Power has charged an *applicant* costs under clause 20.1(a) or clause 20.3(a), then at the time of making an *access offer* to that *applicant* or at the time an *application* is withdrawn (whichever is earlier):
 - (i) If Western Power's actual costs are less than the costs that it has charged, Western Power must refund the unexpended portion of those costs; or
 - (ii) If Western Power's actual costs are more than the costs that it has charged, Western Power may charge an additional fee to cover the reasonable costs in excess of the fee it charged, and the applicant must pay any such additional fee.

20.3 Applicant-specific solution option

- (a) The *applicant* may request that Western Power perform a study under clause 20 of the nature and costs of an *applicant-specific solution* to satisfy the *connection application*. The *applicant* must pay the costs of the study.
- (b) Once Western Power has completed the study, it must provide existing *users* and any *competing applicant* that Western Power considers may be impeded by the *applicant-specific solution* with the opportunity to object to providing the *applicant-specific solution* to the *applicant*.
- (c) An existing *user* and *competing applicant* may object to the *applicant-specific solution* on the grounds that the *applicant-specific solution* would impede Western Power's ability to provide *covered services* to that existing *user* or to provide the *covered services* that are sought in a *competing application* to a *competing applicant* compared with what the position would be if the *applicant-specific solution* were not implemented.
- (d) Western Power will evaluate the objection and if it agrees that the *applicant-specific solution* would impede Western Power's ability to provide *covered services* to an existing *user* or to provide the *covered services* that are sought in the other *connection application* to a *competing applicant*, then it must either decline to offer an *applicant-specific solution* to the *applicant* or modify the *applicant-specific solution* so that the *applicant-specific solution* would not impede Western Power's ability to provide *covered services* to an existing *user* or the *covered services* that are sought in another *connection application* to a *competing applicant*. If Western Power elects to modify the *applicant-specific solution* then it must provide a further opportunity to object under clause 20.3(c) to existing *users* and *competing applicants* that Western Power considers may be impeded by the *applicant-specific solution*.
- (e) If:
 - (i) no objections are made to an *applicant-specific solution*; or

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- (ii) Western Power evaluates under clause 20.3(d) that an applicant-specific solution (whether the original applicant-specific solution or a further applicant-specific solution developed following modification under clause 20.3(d) above) would not impede Western Power's ability to provide covered services to an existing user or to provide the covered services that are sought in another connection application to a competing applicant.

then Western Power must make an access offer to the applicant based on the applicant-specific solution identified in this clause 20.3(e).

20.4 Disputes may be referred to Arbitrator

A dispute between an *applicant* and Western Power regarding a cost under clause 20 may be referred by either party to the *Arbitrator* under section 10.13 of the Code (expedited hearings) for determination, in which case the *Arbitrator* may either affirm the amount or reduce it.

20A. Unpaid fees or charges

Where any fees or charges under this access and queuing policy remain unpaid by an applicant more than 60 business days after they are levied or charged, the applicant's application and any associated electricity transfer application are deemed to be withdrawn.

21. Contributions policy applies

If, during the processing of the *connection application*, Western Power determines that *works* are required to provide the *covered services* sought in the *connection application*, then the *contributions policy* applies to the *connection application*.

22. Unused

23. Release of contracted capacity

Without limiting the circumstances by which *spare capacity* becomes available on the *network*, when an existing user reduces *contracted capacity* at one *connection point* and that reduction increases *spare capacity*, then any *application* for that *spare capacity* must be processed by Western Power in accordance with clause 24 and clause 24A, regardless of whether the *user* makes a concurrent *connection application* at that or another *connection point*.

Deleted: ~~<#>First come, first served principle¶~~
Subject to the *queuing rules*, Western Power must ensure that *connection applications* are processed in accordance with the *first come, first served principle*.¶

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24. Where there are competing applications.

24.1 Formation of competing applications groups

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~~<#>When queuing rules apply¶~~
The *queuing rules* apply only

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Deleted: The *queuing rules* apply to determine the *priority*

Where Western Power assesses that an *application* is competing with other *applications*, then Western Power may elect to manage *competing applications* by forming them into one or more *competing applications groups* and assessing a single set of works for *shared assets* required to meet some or all of the requirements of each *competing applications group*.

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24.2 Notice of intention to prepare a *preliminary access offer*

Where Western Power considers that a single set of works for *shared assets* may meet some or all of the requirements of the *applicants* within a *competing applications group*, it will issue a notice of intention to prepare a preliminary access offer to all *applicants* within that *competing applications group*, and charge a preliminary offer processing fee.

24.3 Response to notice of intention to prepare a *preliminary access offer*

Applicants must respond to the notice issued under clause 24.2 within 30 business days by:

- (a) agreeing to have their application considered within a *competing applications group* and paying the preliminary offer processing fee. By paying the preliminary offer processing fee, *applicants* demonstrate the good faith of their intention to proceed to an *access contract*, and as such the preliminary offer processing fee is non-refundable. Where the applicant subsequently enters an *access contract*, the preliminary offer processing fee will be counted towards any *contribution* payable under the *contributions policy*, or where it exceeds any *contribution* payable under the *contributions policy*, the excess will be counted towards applicable reference tariffs; or
- (b) withdrawing their *application*.

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Where *applicants* fail to respond to the notice issued under clause 24.2 within 30 business days, their *application* and any associated *electricity transfer application* will be deemed to be withdrawn.

24.4 Western Power's actions following response to the notice of intention to prepare a *preliminary access offer*

Following the response of applicants under clause 24.3 (if any), Western Power may, if it continues to consider that a single set of works for *shared assets* may meet some or all of the requirements of a *competing applications group*, make *preliminary access offers* to each applicant within the relevant *competing applications group* at the same time.

24.5 Response to *preliminary access offers*

- (a) *Applicants* must respond to the *preliminary access offers* within 30 business days after receipt of the *preliminary access offers*, by indicating in good faith in writing either:

- (i) that it would accept such a *preliminary access offer* if it were an access offer ("*preliminary acceptance*"). For the avoidance of doubt, such a *preliminary acceptance* does not give rise to a contract; or
- (ii) that it would reject such a *preliminary access offer* if it were an access offer and would request an amendment to the *preliminary access offer*. In this case Western Power and the *applicant* must negotiate in good faith regarding the form of the *preliminary access offer*, but if Western Power and the *applicant* have not agreed on the form of the *preliminary access offer* within 30 business days, then the *connection application* and any associated *electricity transfer application* will be deemed to have been withdrawn; or
- (iii) that it would not accept such a *preliminary access offer* if it were an access offer, in which case the *connection application* and any associated *electricity transfer application* are deemed to have been withdrawn.

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Subject to clauses and , the

- (b) Where *applicants* respond under either clause 24.5(a)(i) or clause 24.5(a)(ii), they must pay within 30 business days a preliminary acceptance fee to Western Power as a demonstration of good faith in their intention to proceed to an access contract. The preliminary acceptance fee is non-refundable but, where the *applicant* subsequently enters an *access contract*, the preliminary acceptance fee will be counted towards any *contribution* payable under the *contributions policy*, or where it exceeds any *contribution* payable under the *contributions policy*, the excess will be counted towards applicable reference tariffs.

24.6 Subsequent access offers

After reviewing the responses by *applicants* to *preliminary access offers* under clause 24.5 above, Western Power may:

- (c) make *access offers* to *applicants* within the *competing applicants group*. If Western Power makes *access offers* to *applicants* within the *competing applicants group*, it may make the *access offers* conditional on sufficient acceptance of the *access offers* by *applicants* to ensure that access can be provided to the *applicants* collectively for the costs nominated in the *access offers*; or
- (d) revise its *preliminary access offer* and submit those revised *preliminary access offers* to *applicants*; or

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- (e) where the sum of the preliminary acceptance by applicants within a competing applications group exceeds the capacity of the proposed works, Western Power may make access offers to applicants in the order of the priority date of applications until there is no more spare capacity. If Western Power fails to make an access offer to an applicant within a competing application group, then notwithstanding any other provision in this access and queuing policy, the application will remain valid and retain its priority date and Western Power will refund any preliminary offer processing fee or preliminary acceptance fee paid by the applicant.

[Note: An access offer might not be made to an applicant under 24.6(c) because there is no more spare capacity after making access offers to applicants with earlier priority dates.]

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24.7 Changing composition of competing applications group

Western Power may change the composition of a competing applications group at any time including where some of the applicants within the competing applications group withdraw their applications, additional applications are made that could be included in the competing applications group, following responses by applicants to preliminary access offers, or following changes regarding the nature or location of constraints following other network developments, changes in generation or changes in loads in which case Western Power may recommence the processes under this clause 24.

24.8 Determining extent of spare capacity

In determining whether there is spare capacity to provide covered services requested in a connection application or group of applications, Western Power must assume that any existing access contract will be renewed in accordance with the terms of that access contract.

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24.9 Types of information

Western Power must make known to any applicant that has lodged an application with Western Power, or to any existing user with a conditional access contract under clause 4.8:

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- (a) whether there are competing connection applications; and
- (b) a description of the circumstances which caused the connection applications to be competing connection applications (including information in reasonable detail regarding the aggregated capacity requirements of those competing connection applications); and
- (c) an estimate of the likely time until the making of an access offer; and
- (d) except to the extent that it is prevented from doing so by clause 6.2, in respect of each competing connection application:

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Deleted: application) or deemed to be lodged under this

Deleted: queuing policy, as applicable.

- (i) the capacity requirements of the competing connection application or competing connection applications; and
- (ii) the geographic location at which the competing connection application seeks the capacity; and
- (iii) reasonable details regarding any augmentation required by the competing connection application.

24.10 When Western Power must update information

Western Power must provide the information in clause 24.9:

- (a) unused; and
- (b) at any time after a reasonable request by the applicant for updated information; and
- (c) as soon as practicable after a material change in the information previously notified under this clause 24.10, including when information of the kind referred to in clause 24.9(d) which was previously withheld on the ground that Western Power was prevented from doing so by clause 6.2 is no longer entitled to be withheld on that ground.

24.11 Concurrent consideration

Nothing in clause 24 prevents Western Power from processing more than one connection application concurrently.

24.12 When clause 24 does not apply

The provisions in clause 24 do not apply to a transition application.

24A. Priority dates of applications in particular circumstances

24A.1 Withdrawn connection applications

An application which is withdrawn, or deemed by this applications and queuing policy to have been withdrawn, loses its priority date, even if it is subsequently amended or resubmitted.

24A.2 Tender projects

(f) If:

- (i) two or more applicants notify Western Power that they are competing under a tender process, with respect to new generating plant; and

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Deleted: If an applicant submits more than one connection application, then the applicant has a different priority in respect of each connection application, and every reference in the queuing rules to the applicant's priority is to be read as a reference to the applicant's priority in respect of the relevant connection application.¶
When queuing rules do

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Deleted: <#>More than one queue¶
Under clause , there may from time to time be more than one queue in respect of a network.¶
{Example: One group of applications may relate to new generation projects in one part of a network and another group of applications may relate to new consumers at an industrial area at a different part of the network and each group of applications may be in a separate queue.}¶

<#> When bypass is permitted¶

Subject to the process in clauses to , bypass is permitted:¶

<#>to the extent necessary to better achieve the Code objective; or¶

<#>to the extent necessary to allow a supplier of last resort (as defined in the section 67 of the Act) to comply with its obligations under Part 5 of the Act; or¶

<#>to the extent necessary to allow a default supplier (as defined in the section 59 of the Act) to comply with its obligations under section 59 of the Act; or¶

<#>if required under a Law.¶

<#>When the bypass test might be satisfied¶

Without limiting clause , circumstances where the bypass test in clause might be satisfied include:¶

<#>where a connection application that has earlier priority in a queue cannot, and a connection application with later priority can, presently ... [2]

Deleted: the arbitration of an access dispute;¶
or¶
where an applicant fails to use reasonable endeavours to progress its connection application in accordance with

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Deleted: <#>where the connection application is frivolous, vexatious or was not made in good faith. ¶

<#>Western Power to give notice¶

If Western Power considers that the bypass test in clause is satisfied in relation to a connection application, it must give the applicant a notice (subject to clause) setting out in reasonable detail the basis on w ... [3]

- (ii) only the *applicant* that is successful in its bid will proceed with an access contract,

then Western Power must treat each of the *connection applications* that are competing, as having the *priority date* of the earliest such *connection application*.

- (g) If an *applicant* that has been unsuccessful in a tender process under clause 24A.2 decides to continue with a *connection application*, then the *priority date* of the *connection application* will become the date that the *connection application* would have had based on the date the *applicant* submitted the *connection application*.

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24A.3 Amended connection applications

- (a) Subject to clause 24A.3(b), an amended *connection application* has the same *priority date* as the original *connection application*.

- (b) Subject to clause 24A.3(c), if an amended *connection application* is materially different from the original *connection application*, and if the difference is such that an *applicant* whose competing application has a *priority date* subsequent to the original *connection application* is materially prejudiced in terms of the likelihood, timing, cost and terms of its obtaining access (compared with that later *applicant's* position with respect to the original *connection application*), then:

Deleted: Nothing in the queuing rules prevents Western Power from processing more than one connection application concurrently. ¶
<#>Priority of withdrawn connection applications¶
An application which is withdrawn or deemed by this applications and queuing policy to have been withdrawn, loses its priority under the queuing rules, even if it is subsequently amended or resubmitted. ¶
<#>Priority of amended connection applications¶

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- (i) if it is possible to construe the amended *connection application* as a combination of the original *connection application* and a notional supplementary *connection application* (whether for further capacity or otherwise), the original *connection application* retains its *priority date* and the notional supplementary *connection application* has a *priority date* according to the time of amendment; but

- (ii) otherwise — the amended *connection application* has a *priority date* according to the time of amendment.

- (c) For the purposes of clause 24A.3(b), without limiting the ways in which an amended *connection application* may be materially different from the original *connection application*, an amended *connection application* is not materially different from the original *connection application* if the capacity sought in the amended *connection application* is less, or less than 5% more than, the capacity sought in the original *connection application*.

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(d) Notwithstanding clause 24A.3(a) or clause 24A.3(b) or clause 24A.3(c), where an applicant has provided a response under clause 24.3 agreeing to have their application considered within a competing applications group following receipt of a notice of intention to prepare a preliminary access offer under clause 24.2 and where that applicant subsequently amends its connection application then Western Power is not obliged to make or to amend a Preliminary Access Offer based on the amended application.

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Deleted: Notwithstanding clause 24A.3(a) or clause 24A.3(b) or clause 24A.3(c), where an applicant has provided a response under clause 24.3 agreeing to have their application considered within a competing applications

Deleted: ¶ Where Western Power holds the opinion as a reasonable and prudent person that it is unlikely that an

Deleted: group following receipt of a notice of intention to prepare a preliminary access offer

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Deleted: will be signed in respect of an applicant's dormant application, and Western Power has received a competing application,

Deleted: under clause 24.2 and where that applicant subsequently amends its connection application then Western Power

Deleted: must give the applicant a notice requiring the applicant to provide information to Western Power demonstrating why the dormant

Deleted: is not obliged to make or to amend a Preliminary Access Offer based on the amended application

Deleted: should not be taken to have been withdrawn by the applicant.¶

Deleted: At least 20 business days after giving a notice under clause , Western Power must make a fresh determination, having regard to all relevant material including anything which has occurred, and any information provided, since the notice was given under clause whether the dormant application should be taken to have been withdrawn by the applicant.¶ If Western Power makes a determination under clause that the dormant application should be taken to have been withdrawn by the app... [4]

Deleted: reasonable details regarding any augmentation required by the competing connection application.

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Deleted: <#>at any time after a reasonable request by the applicant for updated information; and

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Deleted: <#>as soon as practicable after a material change in the information previously notified u... [6]

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24A.4 Network Control Services

Western Power may make an access offer as a result of a procurement process for Network Control Services without regard to whether there are any competing connection applications.

25. Additional terms of the preliminary access offer or access offer

25.1 Terms under contributions policy

Western Power must include as terms of the preliminary access offer or access offer:

- (a) the amount of any contribution and other payments, such as rebates, determined under the contributions policy; and
- (b) any terms related to the provision of the contribution that the applicant has selected under the contributions policy.

25.2 Exemptions from technical rules

The terms related to any exemption to the technical rules determined under Chapter 1 of the technical rules must be included in the preliminary access offer or access offer.

26. Making the access offer

Western Power must, acting as a reasonable and prudent person, give an access offer to the applicant as soon as practicable after the complete connection application is lodged, having regard to the nature of the connection application, consideration of competing applications and the need (where applicable) for works involving shared assets in order for Western Power to be able to provide access in accordance with the Technical Code.

SCHEDULE 1 FORM OF GUARANTEE

DATE []

PARTIES

1. [### ACN ### a company registered in ### of ###] (“**Guarantor**”); and
2. **Electricity Networks Corporation ABN 18 540 492 861**, a statutory body corporate established by paragraph 4(1)(b) of the *Electricity Corporations Act 2005* (WA) of 363 Wellington Street, Perth, Western Australia (“**Western Power**”).

RECITALS

- A. Western Power may in its discretion provide Services to [###] (“**the User**”) under an Access Contract at the request of each of the User and the Guarantor.
- B. The Guarantor wishes to execute this Guarantee to secure payment of all amounts payable under the Access Contract to Western Power.

OPERATIVE PROVISIONS

(a) Guarantee

The Guarantor unconditionally and irrevocably Guarantees as a continuing security to Western Power payment by the User of all moneys and liabilities due and/or payable from or by the User to Western Power under or in connection with the contract dated [###] (“**Access Contract**”) created between the User and Western Power (“**Secured Moneys**”), including moneys and liabilities incurred or arising:

- (i) (**liability**): at any present or future time, whether actually or contingently;
- (ii) (**default**): as a result of any breach of or default under the Access Contract; and/or
- (iii) (**account**): by way of principal, interest, cost, charge, expense, disbursement, fee, tax, stamp or other duty, indemnity, damages or monetary judicial order.

(b) Secured Moneys

(i) Demand payment

The Guarantor must pay to Western Power, upon demand by Western Power at any present or future time, the amount of the Secured Moneys due from and payable by the User to Western Power at that time under, and in the manner and currency specified in, the Access Contract.

(ii) Costs

The Guarantor must at any present or future time indemnify Western Power upon demand for any cost, charge, expense, disbursement, fee, tax or stamp or other duty incurred by Western Power at any time in connection with the Access Contract, this Guarantee or the Secured Moneys relating to:

- (A) **(security agreements)**: preparation, negotiation, execution or performance, or any termination, amendment, consent, claim, demand or waiver;
- (B) **(security rights)**: any exercise or enforcement of any right or power conferred on Western Power;
- (C) **(credit increases)**: any extension of further, additional or increased credit or financial accommodation by Western Power, or agreement by Western Power to increase the amount secured; and/or
- (D) **(payments)**: the receipt or payment of any moneys, including moneys paid by Western Power by way of reimbursement to any third party.

(iii) Set-Off exclusion

The Guarantor must make any payment required under this Guarantee without set-off or other deduction, except for the deduction or withholding of any tax compelled by law.

(c) Indemnity

The Guarantor must as a separate and additional liability of the Guarantor as a principal debtor, and not as a surety, indemnify Western Power against, and pay to Western Power upon demand by Western Power an amount equal to, all Secured Moneys that are or may become invalid, unenforceable, illegal or irrecoverable for any reason or under any circumstances as a liability to Western Power by the Guarantor as a surety, despite any other provision of this Guarantee.

(d) Guarantee protection

This Guarantee, and the liability of the Guarantor under this Guarantee, is not affected at any time by:

- (i) **(waiver)**: the granting to any person by Western Power of any waiver;
- (ii) **(agreements)**: any agreement, deed or document created with, or action or omission performed, representation made or non-disclosure of any fact or information by, Western Power or any person;
- (iii) **(Secured Moneys)**: any increase or variation in the amount of the Secured Moneys occurring for any reason;

- (iv) **(document amendment)**: any amendment to or transfer, release or termination of any agreement, deed or document or any right, power or liability of any person under any agreement, whether for or without consideration;
- (v) **(enforcement decisions)**: any exercise or enforcement, or any failure or invalidity in, the exercise or enforcement by Western Power of any right or power conferred on Western Power under any agreement, deed or document or by law;
- (vi) **(invalidity)**: any actual or potential invalidity, unenforceability, illegality or irrecoverability of any agreement, deed or document or consent or any payment made or due to Western Power under any agreement for any reason;
- (vii) **(incapacity)**: any incapacity or absence of power or authorisation of, or other fact relating to, any person in connection with the execution of any agreement, deed or document or otherwise, including any change in the constitution or membership of any person; or
- (viii) **(residual)**: any other breach, default, waiver or fact which, except for this provision, might legally operate:
 - (A) to release or discharge or have any prejudicial effect on; or
 - (B) in any manner to release or discharge the Guarantor from performance of, or limit or provide a defence to any legal action to enforce,this Guarantee, or any liability of the Guarantor under or in connection with this Guarantee.

(e) Termination

The Guarantor is not entitled to terminate or limit this Guarantee, or any liability of the Guarantor under this Guarantee, until the Secured Moneys have been paid in full.

(f) Governing Law

This Guarantee is governed by and construed under the law of the State of Western Australia.

(g) General

(i) Continuing Security

This Guarantee is a continuing security and is not wholly or partially discharged by the payment at any time of any Secured Moneys, settlement of account or other fact and applies to the balance of the Secured Moneys at any time until a final termination of this Guarantee by Western Power.

(ii) Further Assurance

The Guarantor must upon request by Western Power at any time execute any document and perform any action necessary to give full effect to this Guarantee, whether prior or subsequent to performance of this Guarantee.

(iii) Waivers

Any failure or delay by Western Power to exercise any right or power under this Guarantee does not operate as a waiver and the single or partial exercise of any right or power by Western Power does not preclude any other or further exercise of that or any other right or power by Western Power.

Appendix 4: Revised Applications and Queuing Policy (clean no track changes)

Applications and Queuing Policy

ELECTRICITY NETWORKS CORPORATION ("WESTERN POWER")

ABN 18 540 492 861

{Outline: This *applications and queuing policy* is included in Western Power's *access arrangement* in accordance with section 5.1 of the *Code*.}

{Note: This policy has been prepared in accordance with the requirements of the Electricity Networks Access Code 2004, including proposed Electricity Networks Access Code Amendments (No 2) 2008}

Applications and Queuing Policy

ELECTRICITY NETWORKS CORPORATION ("WESTERN POWER")

ABN 18 540 492 861

{Outline: This *applications and queuing policy* is included in Western Power's *access arrangement* in accordance with section 5.1 of the *Code*.}

{Note: This policy has been prepared in accordance with the requirements of the Electricity Networks Access Code 2004, including proposed Electricity Networks Access Code Amendments (No 2) 2008}

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PART A - COMMON PROVISIONS

1. Operation and objective

1.1 *applications and queuing policy* **Operation of this**

This *applications and queuing policy* operates in the manner shown in figure 1 (next page).

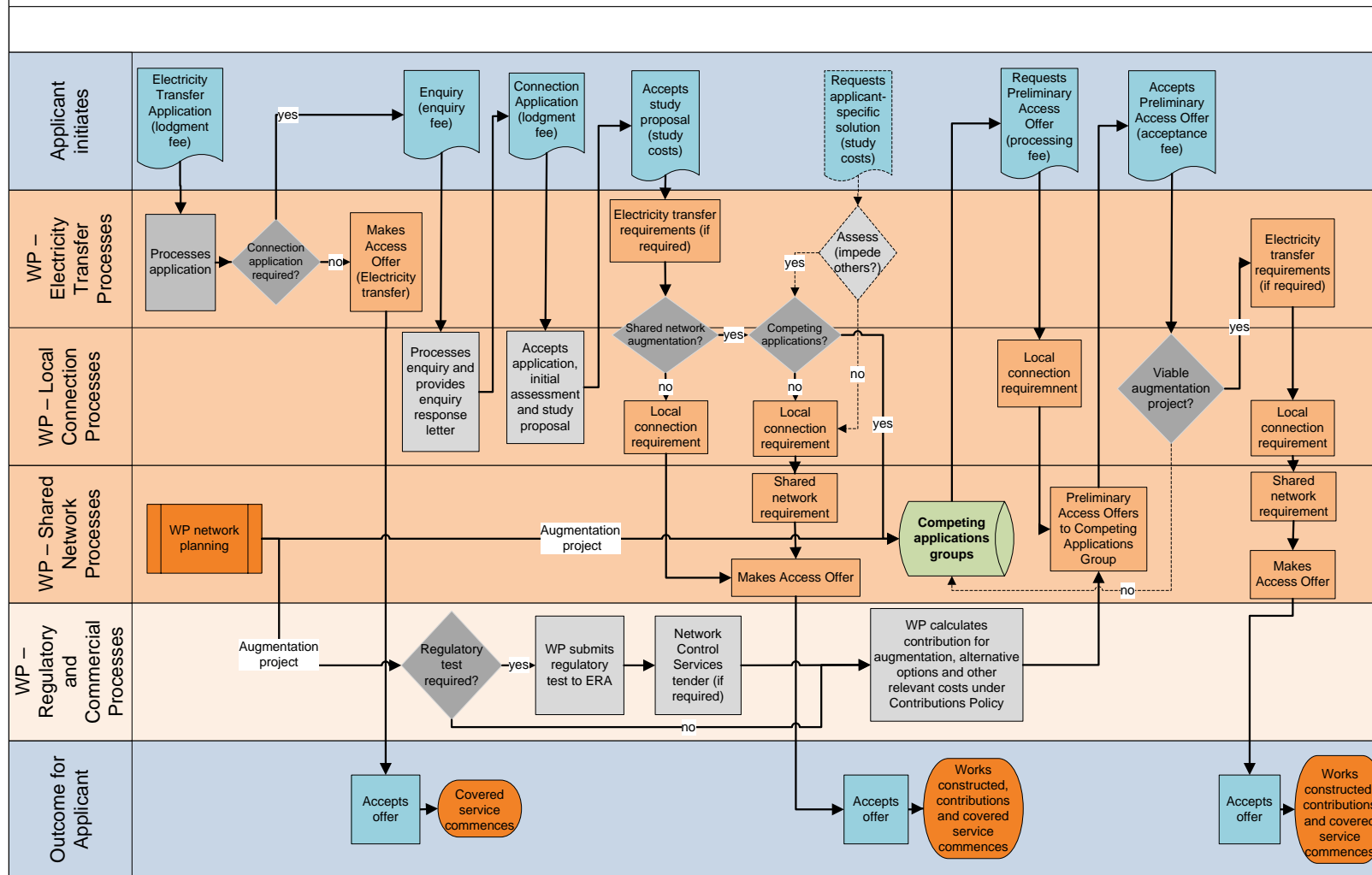
1.2 **Objectives**

The objectives of this applications and queuing policy are:

- (a) To provide an equitable, transparent and efficient process for assessing the suitability of plant and equipment to connect to Western Power's network and to make access offers based on that assessment; and
- (b) To undertake assessments and to provide shared network access offers that facilitate access by generators and loads to the WA Electricity Market (WEM) on an economically efficient and non-discriminatory basis that is consistent with WEM requirements, and uses a process that is equitable, transparent and efficient; and
- (c) Where feasible and cost-effective, to facilitate joint solutions for *connection applications*.

Western Power may from time to time determine that it can provide *shared asset works* that can provide access to multiple *applicants*.

Figure 1: Access, Connection and Transfer Applications Policy – Process Overview



2. Introduction

2.1 Definitions

In this applications and queuing policy, unless the contrary intention is apparent:

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

“access contract” means an agreement between Western Power and another person for that person to have access to *covered services*.

{Note: Under the *Code* “access agreement” has the meaning given to it in part 8 of the *Act*, and under section 13.4 (d) of the *Code* includes a “*deemed access contract*”. The definition of “access agreement” under the *Act* is “an agreement under the *Code* between a network service provider and another person (a “network user”) for that person to have access to services”.

“access contract number” means the unique identifier given to each *access contract* by Western Power.

“access dispute” has the meaning given to it in the *Code*.

{“access dispute” means a dispute, in connection with an *access application*, between the applicant and the service provider, including a dispute in relation to any one or more of the following (and the paragraphs of this definition do not limit each other):

- (a) whether the applicant or the service provider has complied with, or the manner in which the applicant or the service provider has purported to comply with, the applications and queuing policy; and
- (b) the terms and conditions, including service standards, on which the applicant should be permitted to acquire covered services from the service provider; and
- (c) whether work is required work and the terms and conditions applying, or proposed to apply, to any such work; and
- (ca) anything connected with or arising out of a proposed contribution; and
- (cb) a matter heard under section 15.7; and
- (cc) anything connected with or arising out of Appendix 8; and
- (cd) anything connected with or arising out of Appendix 9; and
- (d) whether the service provider should grant the applicant an exemption to the technical rules under section 12.34; and
- (e) the arrangements which will apply in respect of a supplementary matter connected with the *access application*”.

“access offer” means a form of contract developed under this *applications and queuing policy* which has been *signed* by Western Power and is in such a form that it can, without anything else being required, become an *access contract* when *signed* by an *applicant*.

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

“accumulation meter” has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* “accumulation meter” means “a meter that measures accumulated energy data and records it in one or more accumulated energy registers, and includes a meter with interval energy data storage capability which is deemed to be an accumulation meter under clause 3.2(2)”.

“applicant” means a person (who may be a *user* or a *customer*) who has lodged, or intends to lodge, an *application*.

“applicant-specific solution” means a method of satisfying a *connection application* by either:

- (a) *works funded solely by the applicant whether by direct funding or through payment of tariffs and/or contributions by that applicant and not involving another applicant; or*
- (b) *an operational solution involving only that applicant; or*
- (c) *a combination of works funded solely by the applicant and an operational solution.*

“application” means an *electricity transfer application* or a *connection application*.

“application form” with regards to an *application*, means the applicable application form (as is specified as being applicable to the *applicant’s application* in this *applications and queuing policy* or on Western Power’s website) provided by Western Power on its website, or otherwise published by Western Power, for that *application*.

“attachment point” means a point on the *network* at which *network assets* are connected to assets owned by another person.

“augment” and **“augmentation”** have the meaning given to ‘work’ in the *Code*.

{Note: Under the *Code* “work” means “any activity or undertaking in connection with the covered network, whether of a capital or non-capital nature, including the planning, designing, development, approval, construction, acquisition and commissioning of new facilities and new network assets and the procurement or provision of any good or service”.

“bidirectional point” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *bidirectional point*), at which electricity is to be transferred into and out of the *network*.

“bidirectional service” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity into and out of the *network* at the *connection point*.

“capacity”, with regards to a part of the *network* (including a *connection point*), refers to the maximum rate at which electricity can be transported through that part of the *network* in accordance with *good electricity industry practice*.

“contributions policy” means the *contributions policy* in the *access arrangement*.

“charge”, for a *covered service* relating to the transfer of electricity, means the amount that is payable by a *user* to Western Power for the *covered service* under an *access contract*.

“Code” means the *Electricity Networks Access Code 2004* (as amended).

“competing”, in relation to two or more *connection applications*, means that the provision of the *covered service* sought in one *connection application* may impede Western Power’s ability to provide the *covered services* that are sought in the other *connection applications*.

“competing applications group” means a number of *applications* that are competing for access to limited network capacity and have been grouped together by Western Power.

“complete”, in relation to an *application* or *notice*, means where the *applicant* or *controller* (as applicable) has:

- (a) used reasonable endeavours to accurately and completely address each item in the applicable *application form* (including by the provision of any supporting information required by the *application form*); and
- (b) with respect to an *electricity transfer application*, provided all of the information required under clauses 3.5 and 3.6 for the *application*; and
- (c) with respect to a *connection application*, provided all of the information required under clauses 3.5 and 3.7 for the *application*,

to Western Power’s satisfaction, acting as a *reasonable and prudent person*.

“completion date” means, in relation to *works*, the date when the *works* are complete except for minor omissions and minor defects which will not prevent the use of the *works*.

“confidential information” means

- (a) in the case of information disclosed by an *applicant* or a *disclosing person* to Western Power in or in connection with an *application*, information which the *disclosing person* (acting as a *reasonable and prudent person*) has identified as being commercially sensitive or confidential; and
- (b) in the case of information disclosed by Western Power to an *applicant* or a *disclosing person* in connection with an *application*, information which Western Power (acting as a *reasonable and prudent person*) has identified as being commercially sensitive or confidential.

“connection application” means an *application* lodged with Western Power under this *applications and queuing policy* that has the potential to require a modification to the *network*, including an *application* to:

- (a) connect facilities and equipment at a new connection point; or
- (b) increase consumption or generation at an existing *connection point*; or
- (c) materially modify *facilities and equipment connected* at an existing *connection point*; or
- (d) augment the *network* for any other reason,

{Note: this might be, for example, to service a subdivision.}

and includes any additional information provided by the *applicant* in regard to the *application*.

“connection point” means:

- (a) an *exit point*; or
- (b) an *entry point*; or
- (c) a bidirectional point;

identified or to be identified as such in an *access contract*.

“connection asset” has the meaning given to it in the *Code*.

{Note: Under the *Code* "connection assets" for a *connection point*, means "all of the *network assets* that are used only in order to provide *covered services* at the *connection point*".}

“consume” has the meaning given to it in the *Code*.

{Note: Under the *Code* "consume" means "to consume electricity".}

“consumption”, for a *connection point*, means the amount of electricity *consumed* at the *connection point*, and is measured in Watt-hours.

“contestable”, with respect to an *exit point*, means an *exit point* that Western Power has determined is contestable under clause 13.

“contestability threshold” in relation to an *exit point*, means the amount of electricity consumed or the estimated amount of electricity that will be consumed at the *exit point*, by a *customer* who is a member of a class of customers declared to be 'prescribed customers' as defined in section 54 of the *Electricity Corporations Act 2005* by an order made under and in accordance with section 54(4) of that Act, within the period specified in the declaration.

"contract for services" has the meaning given to it in the *Code*.

{Note: Under the Code "contract for services" means "an agreement between a service provider and another person for the person to have access to services, and includes an access contract".}

"contracted capacity", for a *connection point*, means the maximum rate at which a *user* is permitted to transfer electricity to or from the *network* at the *connection point*, being either:

- (a) the rate specified in the *user's access contract* from time to time; or
- (b) if no rate is specified in the *user's access contract*, the maximum rate of electricity permitted to be transferred under the *reference service* eligibility criteria for the *reference service* for that *connection point* in the *user's electricity transfer access contract*; or
- (c) if no rate is specified in the *user's access contract* or in the *reference service* eligibility criteria, the maximum rate of electricity permitted to be transferred through the *connection assets* under the *technical rules*,

as applicable, and is measured in Watts or Volt-Amps.

"contribution" means any contribution applicable under the *contributions policy*.

"controller" means a person, which includes a *customer*, who owns, operates or controls (or will own, operate or control) *facilities* and *equipment* at a *connection point*, and who is specified by an *applicant* in an *application* in respect of the *connection point*.

"covered service" has the same meaning given to it in the Code but also includes a bidirectional service.

{Note: Under the Code "covered service" means "a service provided by means of a *covered network*, including:

- (a) a *connection service*; or
 - (b) an *entry service* or *exit service*; or
 - (c) a network use of system service; or
 - (d) a *common service*; or
 - (e) a *service* ancillary to a *service* listed in paragraph (a) to (d) above,
- but does not include an *excluded service*".}

"customer" has the meaning given to it in the Act.

"Customer Transfer Code" means the *Electricity Industry Customer Transfer Code 2004*, made under section 39(2)(a) 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" has the meaning given to it in the *Customer Transfer Code*.

{Note: Under the *Customer Transfer Code* “customer transfer request” means “a request by a retailer to a network operator made using the form published under clause 4.1 to transfer a contestable customer at an exit point in the network operator’s network from one retailer to another”.}

“de-energise” in respect of a *connection point*, means to operate, modify or remove switching or other equipment to prevent the transfer of electricity through the *connection point*.

“disclosing person”, in relation to an *application*, means a person who discloses *confidential information* to Western Power in, or in connection with, an *application*.

“electricity transfer application” means an application lodged with Western Power under this *applications and queuing policy* seeking to obtain or modify an *entry service* or an *exit service* or a *bidirectional service*, and includes any additional information provided by the *applicant* in regard to the application.

“electricity transfer access contract” means a type of *access contract* that provides the *user* with an *entry service* or *exit service* or *bidirectional service*, or any combination of the three, at a *connection point* or *connection points*.

“enquiry” means an enquiry by an applicant under clause 18.

“entry point” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *entry point*), at which electricity is more likely to be transferred into the *network* than out of the *network*.

“entry service” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity into the *network* at the *connection point*.

“exit point” means a single, indivisible (except as allowed under this *applications and queuing policy*) point, that for purposes under the *access arrangement* involving the transfer of electricity, is deemed to consist of a single *attachment point*, connected or to be connected to a *user’s connection point*, with a single *meter* (regardless of the actual configuration of *network assets* making up the *entry point*), at which electricity is more likely to be transferred out of the *network* than into the *network*.

“exit service” means a *covered service* provided by Western Power at a *connection point* under which the *user* may transfer electricity out of the *network* at the *connection point*.

“generate” has the meaning given to it in the *Code*.

{Note: Under the *Code* “generate” means “to produce electricity”.}

“generating plant” has the meaning given to it in the *Code*.

“generation”, for a *connection point*, means the amount of electricity *generated* at the *connection point*, and is measured in kilowatts.

“generator” has the meaning given to it in the *Code*.

{Note: Under the *Code* “generator” means a person who generates electricity”.]}

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

{Note: Under the *Customer Transfer Code* “incoming retailer”, in relation to a *customer transfer request* or *transfer*, means “the retailer that will supply a *contestable customer* after the *transfer time*”.]}

“initial response” means the initial response of Western Power to an *applicant* under clause 19.1 in relation to a *connection application*.

“law” means “written law” and “statutory instruments” as defined in the *Code*, orders given or made under a written law or statutory instrument as so defined or by a government agency or authority, Codes of Practice and Australian Standards deemed applicable under a written law and rules of the general law including the common law and equity.

“lodgement fee” means the fee specified for an *enquiry* or an *application* in the *price list*.

“loss factor” has the meaning given to it in the *Market Rules*.

{Note: Under the *Market Rules* “loss factor” means “a factor defining the annual average marginal network loss between any given node and the Reference Node where the Loss Factor at the Reference Node is 1, determined in accordance with clause 2.27.2”.]}

“market participant” means a person who, at a time after “market commencement” (as defined in the *Market Rules*) is a “market participant” (as defined in the *Market Rules*).

“Market Rules” means the rules made pursuant to the *Electricity Industry (Wholesale Electricity Market) Regulations 2004*.

“meter” has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* “meter” means “a device complying with this Code which measures and records electricity production or consumption but under clause 3.24 does not include a prepayment meter”.]}

“Metering Code” means the code made under Section 39(1) of the Act in respect of a matter referred to in section 39(2)(a) of the Act, and includes any service level agreement, metering data agency agreement, communications rules, metrology procedure, mandatory link criteria and registration process developed under that code.

“metering database” means the “metering database” (as defined in the *Metering Code*) operated by Western Power under the *Metering Code*.

“metering equipment” means a *meter* or *meters* and associated equipment complying with the *Metering Code* used to measure and record electricity transferred to or from the *network* at a *connection point*, which may include the measurement of the rate of transfer and the quantity and quality of the transferred electricity.

“network” has the meaning given to “Western Power Network” in the *Code*.

{Note: Under the *Code* “Western Power Network” means “the *covered network* that is *covered* under section 3.1”. The “Western Power Network” is the portion of the SWIN that is owned by the Electricity Networks Corporation.}

“network assets” has the meaning given to it in the *Code*.

{Note: Under the *Code* “network assets”, in relation to a *network* means “the apparatus, equipment, plant and buildings used to provide or in connection with providing *covered services* on the *network*, which assets are either *connection assets* or *shared assets*”.

“Network Control Services” has the meaning given to it in the *Market Rules*.

“NMI” means National Market Identifier, which is the unique identifier assigned by Western Power to each *connection point*.

“operational solution” means a method of satisfying a *connection application* that does not rely primarily on construction of new *network assets* or augmentation of existing *network assets*.

{Note: Examples of *operational solutions* could include generator runback schemes, load inter-trips, and off grid voltage support}

“preliminary access offer” mean an indicative and non-binding access offer that is made to an applicant within a *competing applications group*.

“premise” has the meaning given to it in the *Energy Operators (Powers) Act 1979*.

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

{Note: Under the *Customer Transfer Code* “previous retailer”, in relation to a transfer, “means the retailer that supplied the contestable customer before the transfer time”.

“price list” means the *price list* (as defined in the *Code*) in the *access arrangement*.

“priority date” has the meaning given to it in clause 3.2.

“project” means a project identified in a tender notice.

“re-energise”, in respect of a previously *de-energised connection point*, means to operate switching or other equipment so as to permit the transfer of electricity through the *connection point*.

“reference service” means a *covered service* designated in the *access arrangement* as a *reference service* (as defined by the *Code*).

"relocation" has the meaning given to it in the *Code*.

"reserve capacity auction" has the meaning given to it in the *Market Rules*.

{Note: Under the *Market Rules* "Reserve Capacity Auction" means "the process for determining the Reserve Capacity Price for a Reserve Capacity Cycle and the quantity of Reserve Capacity scheduled by the IMO for each Market Participant under clause 4.19".}

"retailer" has the meaning given to it in the *Act*.

"revenue meter" has the meaning given to it in the *Metering Code*.

{Note: Under the *Metering Code* "revenue meter" means "a meter that is used under the *Metering Code* as the source of energy data, unless the *Metering Code* permits an alternative source of energy data to be used".}

"services end date" means, in respect of a *connection point*, the date on which Western Power ends the provision of *covered services* to the *user* in respect of that *connection point*.

"services start date" means, in respect of a *connection point*, the date on which Western Power commences providing *covered services* to the *user* in respect of that *connection point*.

"shared assets" has the meaning given to it in the *Code*.

{Note: Under the *Code* "shared assets" mean "those *network assets* which are not *connection assets*".}

"signed" by Western Power or the *applicant* means duly signed or otherwise executed by or on behalf of all persons who comprise Western Power or the *applicant*, as the case may be.

"spare capacity" means the *capacity*, from time to time, of the *network*, as configured at the time of an *application*, to provide the *covered services* sought in the *application*, having regard to Western Power's contractual obligations in respect of the *network*.

"standard access contract", with respect to a *reference service*, means the *access contract* applicable to that *reference service* under the *access arrangement*.

"standing data" has the meaning given to it in the *Metering Code*.

"technical rules" means the *technical rules* (as defined in the *Code*) applying from time to time to the *network* under Chapter 12 of the *Code*, as modified in accordance with the *Code*.

"transition application" means an *application* which:

- (a) seeks modifications to an *access contract* or any other *contract for services*; and

- (b) the modifications, if implemented, would not materially impede Western Power's ability to provide a *covered service* sought in one or more other *applications* compared with what the position would be if the modifications were not implemented.

“unmetered connection”, with respect to a *connection point*, has the same meaning as the term “type 7 connection point” when that term is used in the *Metering Code*.

“user” has the meaning given to it in the *Code*.

{Note: Under the *Code* “user” means “a person, including a *generator* or a *consumer*, who is a party to an [sic.] contract for services with a *service provider*, and under section 13.4(e) includes another business as a party to a *deemed access contract*”.]}

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

{Note: Under the *Customer Transfer Code* “*verifiable consent*”, in relation to a request for historical consumption data or a *customer transfer request*, means “consent that is given by a contestable customer—

- (a) expressly; and
- (b) in writing; and
- (c) after the retailer obtaining the consent has in plain language appropriate to the contestable customer disclosed all matters materially relevant to the giving of the consent, including each specific purpose for which the consent will be used; and
- (d) by a person whom a retailer (acting reasonably) would consider competent to give consent on the contestable customer's behalf; and
- (e) which has not expired under clause 1.5”.]}

“works” has the meaning given to it in the *contributions policy*.

{Note: Under the *Contributions Policy* “works” means “headworks and all works required to be undertaken to provide an applicant with the covered services sought by the applicant in a *connection application*, including works associated with:

- (a) augmentation of connection assets;
- (b) augmentation of shared assets;
- (c) alternative options; and
- (d) other non-capital works”.]}

2.2 Application of this *applications and queuing policy* to *connection applications* and *electricity transfer applications*

- (a) Part A and Part B but not Part C of this *applications and queuing policy* apply to an *electricity transfer application*.
- (b) Part A and Part C but not Part B of this *applications and queuing policy* apply to a *connection application*.

2.3 Interpretation

- (a) Unless:
 - (i) the contrary intention is apparent; or
 - (ii) the term has been redefined in clause 2,

a term with a defined meaning in the Code has the same meaning in this *applications and queuing policy*.
- (b) Unless the contrary intention is apparent:
 - (i) a rule of interpretation in the Code; and
 - (ii) the *Interpretation Act 1984*,

apply to the interpretation of this *applications and queuing policy*.

2.4 Prior applications

- (a) Unused
- (b) To the extent permitted by law, an *application* made prior to the date of commencement of this applications and queuing policy shall be deemed to have been made under this *applications and queuing policy*, with the same *priority date* as the *priority date* under clause 3.2.
- (c) To the extent permitted by law, for the purposes of timeframes within this *applications and queuing policy* only, an *application* made prior to the current *access arrangement period* shall be deemed to have been made on the day the current *access arrangement period* commences.

2.5 Supplementary matters apply

Western Power and the *applicant* must, in accordance with section 5.28 of the Code, comply with any provisions of the *supplementary matters* relating to this *applications and queuing policy*.

2.6 Exercising an option not affected

An option granted to a *user* as part of the terms of an *access contract* to extend the duration of the *access contract* is not an *application* and is not subject to this *applications and queuing policy* if it is exercised in accordance with its terms.

3. The application

3.1 Applications to be made in good faith

Western Power and an *applicant* must act in good faith with regard to each other in relation to an *application*.

3.2 Commencing the *application* process

- (a) The *application* process is commenced by the *applicant* submitting an *enquiry* to Western Power.
- (b) Following Western Power's response to the *enquiry*, the *applicant* must submit:
 - (i) an *application* to Western Power on the appropriate *application form*; or
 - (ii) where permitted under this *applications and queuing policy*, notice to Western Power,

that is *complete*.

- (c) Western Power will stamp *complete* applications with the date on which the applications are lodged and *complete*, and this date will be the *priority date*. The *priority date* may change in accordance with the provisions of clause 24A.

3.3 Applicant to be market participant

An *applicant* who seeks an *exit service* or an *entry service* or a *bidirectional service*:

- (a) must submit an electricity transfer application; and
- (b) must be, or intend to be (providing reasonable proof of intent), a *market participant* at the time the electricity transfer is to take place.

3.4 Related electricity transfer application and connection application

Where

- (a) a *retailer* seeks to obtain or modify an *exit service* or an *entry service* or a *bidirectional service* on behalf of a *customer*; or
- (b) a *generator* seeks to obtain or modify an *entry service* or a *bidirectional service* on behalf of a *controller* who is not the *generator*,

and both a *connection application* and an *electricity transfer application* will be required under this *applications and queuing policy*, then the *applications* may:

- (c) be submitted concurrently by the *retailer* or *generator*; or

- (d) be submitted at different times by the *retailer* or *generator* and the *customer* or *controller* as applicable, in which case both parties are *applicants*.

3.5 Information required with all applications

All *applicants* must provide the following information to Western Power in respect of an *application* at the time of submitting the *application*:

- (a) details of the *applicant*, including:
 - (i) the full name and address of the *applicant*; and
 - (ii) whether the *applicant* is acting as agent for any person in making the *application*, and if so, details of the *applicant's* principals; and
 - (iii) whether the *applicant* is an existing *user*, and if so, details of the *applicant's* existing *access contract*,and
- (b) any conditions precedent that the *applicant* seeks to include in the resulting *access offer*; and
- (c) details of the *connection point*, including:
 - (i) the location or *NMI* of the *connection point*, as applicable; and
 - (ii) the forecast annual *consumption* of electricity, if applicable; and
 - (iii) the forecast annual *generation* of electricity, if applicable,and
- (d) such information concerning the *applicant* as Western Power requires, acting as a *reasonable and prudent person*, to assess the *applicant's* ability to meet its obligations under the resulting *access contract*.

3.6 Information required with electricity transfer applications

The *applicant* must provide the following information to Western Power in respect of an *electricity transfer application* at the time of submitting the *electricity transfer application*:

- (a) the *covered services* requested, and for each requested *covered service*:
 - (i) the requested *services start date* and requested *services end date*; and

- (ii) if the *covered service* is a *non-reference service*, then a description of the *non-reference service*, including any deviation sought from the applicable *tariff*, *service standard* or *standard access contract* for an equivalent *reference service*; and
 - (iii) if applicable, the *contracted capacity* sought for the *covered service*; and
- (b) details of the *connection point*; including
 - (i) for an existing *connection point*, any changes to be made to the *standing data* for that *connection point* as a result of the *application*; and
 - (ii) for a new *connection point*, such information regarding the *connection point* required as *standing data*; and
 - (iii) information regarding the *controller*, if the *applicant* will not be the *controller*, in compliance with the relevant provisions of the *Metering Code* in regard to the provision of *controller* information (where all references to a 'customer' under the relevant provisions of the *Metering Code* are to be read as references to the *controller* for the purposes of this clause 3.6).

3.7 Information required with connection applications

The *applicant* must provide the following information to Western Power in respect of a *connection application* at the time of submitting the *connection application*:

- (a) whether the *application* is being made in connection with a tender process; and
- (b) the *covered services* requested; and
- (c) the requested *services start date* and requested *services end date*, for;
 - (i) *works*; and
 - (ii) *covered services* involving the transfer of electricity that are likely to be sought under an associated *electricity transfer application*,as applicable, and
- (d) the *capacity* sought, if applicable; and
- (e) such information regarding the *facilities* and *equipment* at the *connection point* to the extent required by:
 - (i) the *technical rules*; and
 - (ii) Western Power acting as a *reasonable and prudent person*,

and

- (f) a full description of any exemptions to the *technical rules* sought by the *applicant* under Chapter 12 of the *Code*.

3.8 One electricity transfer access contract per connection point

Each *connection point* must be included in one and only one *electricity transfer access contract* to allow the transfer of electricity at that *connection point*.

3.9 Forecasts of information

When an *application* contains estimates or forecasts of any information:

- (a) Western Power may treat that estimated or forecast information as factual information; and
- (b) the *application* is a warranty by the *applicant* to Western Power that each such estimate or forecast is the *applicant's* best estimate or forecast acting as a *reasonable and prudent person*.

3.10 Errors or omissions in an application

- (a) If Western Power becomes aware of any material error or omission in an *application* it must immediately notify the *applicant* about it and may request information under clause 3.11.
- (b) If an *applicant* is notified by Western Power under clause 3.10(a) or otherwise becomes aware of any material error or omission in an *application*, it must amend the *application* to remedy it as soon as practicable after becoming aware of it.
- (c) If Western Power has notified the *applicant* under clause 3.10(a), the *applicant* must amend the *application* to remedy the material error or omission within 20 business days, or the *application* and any associated *electricity transfer application* will be deemed to have been withdrawn.
- (d) If remedying an error or omission in an *application* amounts to a material amendment to the *application*, clause 24A applies.

3.11 Additional information

- (a) At any time, Western Power may, acting as a *reasonable and prudent person*, request the *applicant* to provide further information that Western Power reasonably requires to enable it to process the *application*.

- (b) If Western Power has notified the *applicant* under clause 3.11(a), the *applicant* must amend the *application* to provide the additional information within 20 business days, or the *application* and any associated *electricity transfer application* will be deemed to have been withdrawn.
- (c) If providing additional information for an *application* amounts to a material amendment to the *application*, clause 24A applies.

3.12 Western Power must be expeditious and diligent

Western Power must process an *application* expeditiously and diligently.

3.13 Amendment and withdrawal of application

- (a) An *applicant* may at any time by notice in writing to Western Power, amend an *application*.
- (b) If an amendment to an *application* results in a change to the original *lodgement fee*, Western Power may charge the applicant the new *lodgement fee* or refund part of the original *lodgement fee*, having regard for the work already completed in processing the *application*.
- (c) An *applicant* may at any time before it enters into an *access contract*, by notice in writing to Western Power, withdraw an *application*.
- (d) Unused.
- (e) Without limiting this clause 3.13, an amendment to an *application* may include a change to the identity of the *applicant* in which case the other information in the *application* must also be amended.

3.14 Applications do not expire

An *application* does not expire due to the passage of time.

4. The access offer

4.1 Access offer to be signed by Western Power

Western Power must present the *access offer* in such a form that it can, without anything else being required, become or modify an *access contract* or *access contracts* when signed by an *applicant*.

4.2 If application requests reference service

If an *application* requests a *reference service*, then the *access offer* must be on materially the same terms as the *standard access contract* applicable to the *reference service*.

4.3 If application requests non-reference service

If an *application* requests a *non-reference service*, then the terms of the *access offer* must be:

- (a) consistent with the *Code objective*; and
- (b) reasonable; and
- (c) subject to this *applications and queuing policy*, as similar as practicable to those terms requested in the *application* dealing with the relevant matter, and negotiated in good faith by the *applicant* and Western Power during the processing of the *application*.

4.4 Services start date and services end date

The *services start date* and the *services end date* specified in the *access offer* must be as close as practicable to the *services start date* and the *services end date* sought in the *application*.

4.5 Conditions precedent permitted in access contract

Western Power and an *applicant* must negotiate in good faith regarding any conditions precedent that the *applicant* or Western Power seek to have included in an *access contract* in order to achieve the objectives set out in clause 4.6. For the avoidance of doubt, Western Power may require a condition precedent in the *access contract* that:

- (a) The *works* involved in providing access to the *applicant* pass a *regulatory test* (if required); and
- (b) Other applicants that are:
 - (i) in the same competing applications group as the applicant; and
 - (ii) have been or are subsequently offered *access contracts*,

enter those *access contracts* with Western Power and that any conditions precedents in those *access contracts* are fulfilled.

4.6 Objectives with regard to conditions precedent

The objectives of this *applications and queuing policy* with regard to conditions precedent are:

- (a) conditions precedent in *access contracts* should facilitate the development of electricity *consuming* and *generating* projects and provide flexibility; and

- (b) conditions precedent should not unduly impede the ability of Western Power to provide *covered services* to competing *applicants* or cause uncertainty and delay; and
- (c) conditions precedent should not constitute an inappropriate barrier to entry into a market or be for the purpose of hindering or preventing access by any person to *covered services*.

4.7 Conditions precedent and determination of spare capacity

In determining whether there is sufficient *spare capacity* to provide *covered services* requested in an *application*, Western Power must regard any existing *access contracts* with conditions precedent as being unconditional.

4.8 Conditions precedent not longer than 8 months

- (a) Western Power and an *applicant* may not enter into an *access contract* that contains a condition precedent for which a period of longer than 8 months from the date the *access contract* was entered into is allowed for its fulfilment.
- (b) If, after 8 months, a condition precedent in an *access contract* has not been fulfilled, then:
 - (i) if there is no *competing application*, Western Power and the relevant *user* may agree within 20 *business days* to extend the period in the *access contract* allowed for the satisfaction of conditions precedent by up to a further 6 months; or
 - (ii) if there is a *competing application*, then, subject to clause 6, Western Power and the existing *user* must negotiate in good faith within 20 *business days* to accommodate both the *user's* and the *competing applicant's* requirements.

{Note: this might mean sharing the costs of *augmentation* as calculated under the *contributions policy*, or some other means of resolving the conflict.}

- (c) If no agreement is reached under clause 4.8(b), then either Western Power or the *user* may:
 - (i) terminate the *access contract*; or
 - (ii) waive any conditions precedent that are for the benefit of that party if that would result in the *access contract* becoming unconditional; or
 - (iii) refer this matter to the *Arbitrator* as an *access dispute*.

4.9 Security

- (a) Subject to clause 4.9(b), if there is a material risk that the *applicant* will be unable to meet any or all of its liabilities under an *access contract* resulting from the *applicant's application*, then Western Power may require the *applicant* to procure:
 - (i) an indemnifier acceptable to Western Power (acting as a *reasonable and prudent person*) who will agree to be a party to the *access contract* and indemnify Western Power in respect of those liabilities; or
 - (ii) a guarantor acceptable to Western Power (acting as a *reasonable and prudent person*) to provide a guarantee in favour of Western Power substantially in the form set out Schedule 1,
- (b) If an *applicant* has an unqualified credit rating of at least:
 - (i) BBB from Standard and Poor's Australia Pty Ltd; or
 - (ii) Baa from Moody's Investor Service Pty Ltd,and provides evidence to this effect to Western Power, without limiting the User's security obligations related to clause 4.9(c), then Western Power is not entitled to require the User to provide the security under clause 4.9(a).
- (c) Notwithstanding an *applicant* providing evidence that it has an unqualified credit rating in accordance with clause 4.9(b), Western Power may, as a condition under an *access contract* or otherwise, require the *user or indemnifier* to provide an irrevocable and unconditional bank guarantee or equivalent financial instrument in terms acceptable to Western Power (acting as a *reasonable and prudent person*), guaranteeing the value of any amount of any *contribution* that remains unpaid or not provided at the time of requirement.
- (d) Western Power may perform a security assessment under this clause 4.9 prior to making an *access offer*.

4.10 Arbitrator's powers preserved

Nothing in this clause 4 limits the *Arbitrator's* power to make an award compelling Western Power to provide *access* to a *covered service* on terms specified in the award.

5. Entering into or modifying an access contract

5.1 When *access offer* becomes *access contract*

- (a) An *access offer* becomes an *access contract*, or modifies an existing *access contract* in accordance with the terms of that *access contract*, as applicable, when *signed* by both parties.

- (b) Western Power must *sign* the *access offer* before giving the *access offer* to the *applicant*.

5.2 Applicant's options on receipt of an access offer

The *applicant* must as soon as practicable, and in any event within 30 *business days* after receipt of an *access offer*, either:

- (a) *sign* the *access offer*, thereby entering into an *access contract* or modifying an existing *access contract*, as applicable; or
- (b) by notice to Western Power reject the *access offer* and request amendments to the *application*; or
- (c) by notice to Western Power withdraw the *application*,

and if 30 *Business Days* after receipt of the *access offer* the *applicant* has not complied with any of clauses 5.2(a), 5.2(b), or 5.2(c), then (unless the *Arbitrator* makes an order extending the time limit on the ground that the delay is beyond the *applicant's* reasonable control) the *applicant* is to be taken to have withdrawn its *application* and any associated *electricity transfer application*.

5.3 If applicant rejects access offer and requests amendments

If the *applicant* rejects an *access offer* and requests amendments to the *application* under clause 5.2(b), Western Power and the *applicant* must negotiate in good faith regarding the *application*, but if Western Power and the *applicant* have not signed an *access contract* (including an *access contract* with conditions precedent) within 30 *business days*, then the *connection application* and any associated *electricity transfer application* will be deemed to have been withdrawn.

5.4 If applicant accepts access offer

If the *applicant* signs the *access offer*, it must:

- (a) forthwith give written notice of the *signing* to Western Power;
- (b) as soon as practicable procure the stamping of the *signed access contract*, if applicable, and pay all stamp duties that are assessed by the Office of State Revenue on the *access contract*; and
- (c) as soon as practicable thereafter give to Western Power at least one original copy of the *signed* and stamped *access contract*.

5.5 Connection application ceases to exist after signing

Upon both Western Power and the *applicant signing* an *access contract*, and any conditions precedent in the *access contract* being fulfilled, the *application* in relation to which the *access contract* was entered ceases to exist.

6. Confidentiality

6.1 Confidential information

Information which Western Power is required to disclose under clauses 24.9(a), 24.9(b), or 24.9(c) is not confidential information.

6.2 Confidential information must not be disclosed

Western Power, an *applicant* or a *disclosing person* must not disclose *confidential information* unless:

- (a) the disclosure is made to the *Authority* on a confidential basis; or
- (b) the disclosure, where it is made by an *applicant* or a *disclosing person*, is made to a *worker* of Western Power who is bound by an adequate confidentiality undertaking; or
- (c) the disclosure is made with the consent of the *disclosing person*; or
- (d) the disclosure is required or allowed by law, or by the *Arbitrator* or another court or tribunal constituted by law; or
- (e) the information has entered the public domain other than by breach of this clause 6.2; or
- (f) the information could be inferred by a *reasonable and prudent person* from information already in the public domain.

PART B – ELECTRICITY TRANSFER APPLICATIONS

7. Costs and timing of processing electricity transfer applications

7.1 Where applicant seeks a reference service

- (a) An *applicant* who seeks a *reference service* must pay to Western Power the *lodgement fee* in the *price list* specified as being applicable to the *applicant's application* in this *applications and queuing policy*, which will be either:
 - (i) a new *connection point* fee; or
 - (ii) an *access contract* modification fee; or

- (iii) a new *access contract* fee.
 - (b) If the *applicant* is not an existing user, then the *lodgement fee* must be paid at the time the *applicant* lodges its *electricity transfer application*.
 - (c) If the *applicant* is an existing user, then the *lodgement fee* will be added to the next invoice under the user's existing *access contract*.
 - (d) Western Power must notify the *applicant* that it has received the *applicant's electricity transfer application* within 5 *business days*.
 - (e) Subject to Western Power performing a security assessment under clause 4.9, if the *applicant* is an existing user and selects a *reference service*, then Western Power must use reasonable endeavours to make an *access offer*, by notice to the *applicant*, to modify the *applicant's access contract*:
 - (i) within 5 *business days* of receiving the *complete electricity transfer application*; or
 - (ii) within 5 *business days* of an *access offer* being *signed* by an *applicant* for any associated *connection application*,
- whichever is later.
- (f) Subject to Western Power performing a security assessments under clause 4.9, if the *applicant* is not an existing user, and selects a *reference service*, Western Power must use reasonable endeavours to make an *access offer*:
 - (i) within 10 *business days* of receiving the *complete electricity transfer application*; or
 - (ii) within 5 *business days* of an *access offer* being *signed* by an *applicant* for any associated *connection application*,

whichever is later.

7.2 Where applicant seeks a non-reference service

- (a) An *applicant* seeking a *non-reference service*, including, but not limited to, an *exit service* or an *entry service* or a *bidirectional service* with a different *tariff* or a different *access contract* than for an equivalent *reference service*, then the *applicant* must, when requested by Western Power, pay an amount to Western Power in respect of a reasonable cost incurred, or to be incurred within a reasonable timeframe, in processing the *application*.

- (b) The total of the costs referred to in clause 7.2(a) must not exceed the reasonable costs which would be incurred by a prudent *service provider*, acting efficiently and in good faith, seeking to achieve the lowest practicable cost of processing the *application*.
- (c) The costs referred to in clause 7.2(a) must not include any costs of Western Power in relation to an *access dispute* (which are to be awarded by the *Arbitrator* under Chapter 10 of the *Code*).
- (d) If an *applicant* selects a *non-reference service*, then Western Power must make an *access offer* as soon as practicable after the *complete application* is lodged, having regard to the nature of the *non-reference service* being sought by the *applicant*.

7.3 Connection application costs not affected

Nothing under this Part B affects costs applicable for a *connection application*.

7.4 Variation from this applications and queuing policy

An *applicant* and Western Power may agree to deal with any matter in connection with the *applicant's application* in a manner different to the treatment of the matter in this *applications and queuing policy* as long as the ability of Western Power to provide a *covered service* that is sought by another *applicant* is not impeded.

8. Eligibility criteria for reference services

If an *applicant* seeks a *reference service* and Western Power is satisfied as a *reasonable and prudent person* that the *applicant* does not meet the eligibility criteria given in the *access arrangement* for the *reference service*, then Western Power may reject the *applicant's electricity transfer application*.

9. Electricity transfer application for a new connection point

9.1 Customer transfer request

- (a) An *incoming retailer* may lodge a *customer transfer request* with Western Power with respect to a *contestable exit point*. With respect to the *customer transfer request*:
 - (i) Western Power, the *incoming retailer* and the *previous retailer* must comply with the *Customer Transfer Code*; and
 - (ii) except as specified in this clause 9, this *applications and queuing policy* does not apply.
- (b) Western Power must not process the *customer transfer request* if it determines under clause 13 that the *exit point* is not *contestable*.

- (c) Western Power must process a *customer transfer request* such that the *incoming retailer* receives the same *covered service* at the same *contracted capacity* as the *previous retailer*.
- (d) The *exit point* must be transferred as a complete and indivisible unit such that all associated *meters* are transferred in one transaction.
- (e) If the *incoming retailer* seeks to modify the *covered service* with respect to an *exit point* that has been the subject of a *customer transfer request*, then that *incoming retailer* must make an *application* under this *applications and queuing policy* as a separate transaction after the *customer transfer request* has been processed.

9.2 Creating a new connection point or connecting new generating plant

- (a) An *applicant* who seeks to create a new *connection point* or to install new *generating plant* at an existing *connection point* must:
 - (i) submit an *electricity transfer application* on the *application form* that is applicable for the type of *facilities and equipment* to be *connected* at the *connection point*; and
 - (ii) submit, or procure that its *customer* submits, a *connection application*.
- (b) If the *applicant* is seeking a *reference service*, then:
 - (i) if the *applicant* is an existing user, the new *connection point lodgement fee* applies to the *application*; or
 - (ii) if the *applicant* is not an existing user, the new *access contract lodgement fee* applies to the *application*,but if the *applicant* is seeking a *non-reference service* then clause 7.2 applies to the *application*.
- (c) If an *applicant* submits an *electricity transfer application* subsequent to Western Power making an *access offer* for an associated *connection application* (to the *applicant*, its *customer* or another person) and:
 - (i) the *capacity*; or
 - (ii) the *services start date* (as relates to the transfer of electricity); or
 - (iii) the *services end date* (as relates to the transfer of electricity),

sought in the *connection application* and the *electricity transfer application* are not the same, such that the application of the *contributions policy* based on the information in the *electricity transfer application* would produce a *contribution* different to that specified in the *access offer* for the associated *connection application*, then Western Power may:

- (iv) where the *contribution* would be higher to that specified in the *access offer*, require the *applicant* to pay the difference; or
- (v) where the *contribution* would be lower to that specified in the *access offer* and the *contribution* specified in the *access offer* has been paid by the *applicant*, rebate the difference to the person who paid a *contribution* in respect of the *connection application*,

as applicable.

- (d) The *services start date* for the covered services sought under the *electricity transfer application* will be the later of:
 - (i) the *services start date* (as relates to the transfer of electricity) sought in the *connection application*; or
 - (ii) the *services start date* sought in the *electricity transfer application*; or
 - (iii) the *completion date* of any works resulting from the *connection application*.

10. Electricity transfer application to modify an existing covered service

10.1 Selection of different covered service or selection or modification of an existing non-reference service

- (a) An *applicant* may make an *electricity transfer application* to select a different *reference service*, or to select or modify a *non-reference service*, with respect to a *connection point* in the *applicant's access contract*, by notice to Western Power.
- (b) If the *applicant* is seeking a *reference service*, then the new *connection point lodgement fee* applies to the *application*.
- (c) If the *applicant* is seeking a *non-reference service* then clause 7.2 applies to the *application*.
- (d) If Western Power considers, as a *reasonable and prudent person*, that the requested change in covered service indicates that the *applicant* will require a greater *capacity*, then:

- (i) Western Power must notify the *applicant* within 5 business days whether the *applicant* must also submit, or procure that its *controller* submits, a *connection application* for an increase in *contracted capacity*; and
- (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 10.1(d)(i), from the date Western Power received the *electricity transfer application* *electricity transfer application* under clause 10.1(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.
- (e) If the *application* requests a new *covered service* that is serviced at a different voltage than the existing *covered service*, then Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*.

10.2 Increase or decrease in contracted capacity

- (a) An *electricity transfer application* to increase or decrease *contracted capacity* with respect to an existing *covered service* under the *applicant's access contract* may be made by notice to Western Power.
- (b) The *lodgement fee* for an *access contract* modification applies to the *applicant's application*, plus any costs for any associated *connection application*.
- (c) Western Power must notify the *applicant* whether or not it accepts the increase or decrease in *contracted capacity* within 5 *business days* of receipt by Western Power of the *applicant's* notice under clause 10.2(a) (or such further time as a prudent *service provider* would reasonably require to consider such *application*).
- (d) Western Power must accept the increase or decrease in *contracted capacity* if it forms the view as a *reasonable and prudent person* that:
 - (i) accepting the increase or decrease in *contracted capacity* would not be likely to impede the ability of Western Power to provide a *covered service* sought in an *application* lodged by another *applicant*; and
 - (ii) it is not likely that an *augmentation* or any *work* would be required to provide the increase or decrease in *contracted capacity*, and
 - (iii) in the case of a second or further *application* or notice in any rolling period of 12 months, the additional *applications* or notice satisfies clause 10.3.

- (e) If Western Power determines that it cannot form the view required for acceptance of the increase or decrease in *contracted capacity* under clause 10.2(d), then:
 - (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 10.2(e)(i), from the date Western Power received the *electricity transfer application* under clause 10.2(a); and
 - (B) otherwise, from the date Western Power received the complete *connection application*.

10.3 More than 1 change or modification within 12 months

If Western Power receives:

- (a) more than 1 *application* or notice under clause 10.1; or
- (b) more than 1 *application* or notice under clause 10.2,

seeking to change the *covered service*, including to decrease or increase the contracted capacity, with respect to a single *connection point* in any rolling period of 12 months, then in relation to each additional *application* or notice Western Power:

- (c) may, subject to this clause ~~10~~, accept the change of *covered service*, where Western Power is satisfied, as a *reasonable and prudent person*, that the new *covered service* will be sufficient to meet the actual requirements of the *applicant*, and that it is required by reason of one or more of the following circumstances:
 - (i) a change in the actual *consumption* or *generation* by the *applicant* in respect of that *connection point* over the 12 month period prior to the *applicant* giving notice under clause ~~10.1(a)~~ or 10.2(a) (as applicable), as recorded by the *metering equipment*; or
 - (ii) a change in the nature of the business or operation conducted at the connection point; or
 - (iii) a shutdown of the business or operation conducted at the connection point (including a shutdown for maintenance purposes) for longer than 1 continuous month; or
 - (iv) a rapid increase or decline in the business at the connection point; or

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- (v) a decrease in the number of capacity credits (as defined in the Market Rules) allocated to any generating plant at the connection point under the Market Rules; or
 - (vi) as part of a *relocation* or; or
 - (vii) some other special circumstance,
- and
- (d) is entitled to refuse the change in *covered service* where Western Power is satisfied, as a *reasonable and prudent person*, that the change is sought by reason of the seasonal nature of the business or operation at the *connection point*.

10.4 Modification of generating plant

- (a) An *applicant* must make a *connection application* before materially changing any of those characteristics of *generating plant connected* at a *connection point* required to be provided in the applicable *application form*.
- (b) If the *applicant signs* an *access offer* in respect of the *connection application*, then the parties must amend the *applicant's access contract* accordingly.

11. De-energisation and re-energisation

11.1 De-energisation

A request by a *user* to Western Power to *de-energise* an existing *connection point* under the *user's access contract* or applicable laws is not an *application* and this *applications and queuing policy* does not apply to it.

11.2 Re-energisation

- (a) An *applicant* who seeks to *re-energise* an existing *de-energised connection point* must submit an *electricity transfer application* on the *application form* that is applicable for the type of *facilities and equipment connected* or to be connected at the *connection point*.
- (b) If the *applicant* does not have an *electricity transfer access contract*, then the *lodgement fee* for a new *access contract* applies to the *application*, plus costs associated with the *re-energisation* under the *Metering Code*.
- (c) If the *de-energised connection point* is not on the *applicant's electricity transfer access contract*, then the *lodgement fee* for a new *connection point* applies to the *application*, plus costs associated with the *re-energisation* under the *Metering Code*.

- (d) If the *de-energised connection point* is on the *applicant's electricity transfer access contract*, then only the costs associated with the *re-energisation* under the *Metering Code* apply to the *application*.
- (e) Subject to clause 11.2(g), Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the request for *re-energising*.
- (f) If Western Power determines that it cannot accept the request for *re-energising* under clause 11.2(e), then:
 - (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 11.2(f)(i), from the date Western Power received the *electricity transfer application* under clause 11.2(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.
- (g) Nothing in clause 11.2 derogates from the obligations of Western Power to *re-energise* a *connection point* within the timeframes specified in clause 8.2 of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2004* or regulations 7 and 8 of the *Electricity Industry (Obligations to Connect) Regulations 2005*.

12. Electricity transfer application to obtain a new access contract

- (a) An *applicant* who seeks a new *access contract*, other than under clauses 8 to 11, may make an *electricity transfer application* by notice to Western Power.
- (b) If an *applicant* makes an *application* under clause 12(a), then:
 - (i) if the *applicant* seeks a *standard access contract*, then the *lodgement fee* for a new *access contract* applies to the *application*; or
 - (ii) if the *applicant* seeks an *access contract* that is materially different to a *standard access contract*, then clause 7.2 applies to the *application*.

13. Contestability assessment

13.1 Western Power must perform contestability assessment

- (a) When:
 - (i) an *applicant* makes an *electricity transfer application* or a *connection application* to establish a new *exit point*; or
 - (ii) an *incoming retailer* makes a *customer transfer request* with regard to an *exit point*,

Western Power must determine if the *exit point* is, or will be, *contestable* under clause 13.2.

- (b) Western Power must perform an assessment under this clause 13 within 5 *business days* of the event that triggered the assessment.

13.2 Rules for contestability

Western Power must determine that an *exit point* is *contestable* where:

- (a) Western Power has previously determined that the *exit point* is *contestable*; or
- (b) the latest 12 months' actual *consumption* at the *exit point* is equal to or greater than the *contestability threshold*; or
- (c) the latest 12 months' actual *consumption* at the *exit point* is below the *contestability threshold*, or 12 months actual *consumption* data does not exist, but Western Power considers, as a *reasonable and prudent person*, that the *consumption* during the next 12 months will be above the *contestability threshold*,

and otherwise Western Power must determine that the *exit point* is not *contestable*.

13.3 Rejection of application

Where Western Power is not authorised under the *Act* or other *written law* to make an *access offer* for an *application* relating to an *exit point* that is not *contestable*, Western Power must reject the *application*.

{Note: Under section 54 of the *Electricity Corporations Act 2005* Western Power is prohibited from making an *access offer* to an *applicant* to provide *covered services* to that *applicant* at or for an *exit point* that is not *contestable*, except where the *applicant* is the 'Electricity Retail Corporation' (as defined in section 3 of the *Electricity Corporations Act 2005*) or a subsidiary of the Electricity Retail Corporation.}

14. Connection point configuration

14.1 Rules for mapping network assets to a single connection point

Western Power must comply with the following when determining the configuration of a *connection point*:

- (a) the proposed configuration must meet the *WA Electrical Requirements*, made pursuant to regulation 49 of the *Electricity (Licensing) Regulations 1991*; and
- (b) a *connection point* may be associated with one or more *revenue meters* which measure and record *energy data*, or none if it is an *unmetered connection point*; and
- (c) if the *connection point* is associated with more than one *revenue meter*, they must be either all *interval meters* or all *accumulation meters*, and not a combination of *interval meters* and *accumulation meters*; and
- (d) a *connection point* may comprise more than one *attachment point* to the *network* provided that each *attachment point* is to the same lot or premises and is operated at the same voltage; and
- (e) a *connection point* must have one and only one *controller* at the *connection point*; and
- (f) a *connection point* must have only one type of *exit service*, if any, and only one type of *entry service*, if any, and only one type of *bidirectional service*, if any; and
- (g) a *connection point* must have only one applicable *loss factor*.

14.2 One NMI per connection point

Western Power must allocate one *NMI* per *connection point*.

14.3 Combining multiple connection points into a single connection point

- (a) A person may make an *electricity transfer access application* to have multiple *connection points* supplying a single *premise* or adjacent *premises* of a single commercial or industrial complex combined into a single *connection point*, subject to clause 14.1, by notice to Western Power.
- (b) The *lodgement fee* for a new *connection point* applies to an *application* made under clause 14.1.
- (c) Where an *applicant* applies under clause 14.3(a), the *applicant* must demonstrate that the *connection points* are integral to a single business.

{For example, a supermarket acquiring adjacent *premises* to its existing *premises* with the intention of expanding its operation across these *premises* can combine the two *exit points* into a single *exit point*.}

- (d) A *retailer* must have *verifiable consent* from its *customer* before making an *electricity transfer application* to change the configuration of a *connection point*.
- (e) Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the *application*.
- (f) If Western Power determines that it cannot accept the *application* under clause 14.3(e), then:
 - (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
 - (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 14.3(f)(i), from the date Western Power received the *electricity transfer application* under clause 14.3(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.

14.4 Separating a single connection point to create multiple connection points

- (a) An *applicant* may make an *electricity transfer application* to divide a single *connection point* into multiple *connection points*, subject to clause 14.1.

{Note: This might occur, for example, to allow the new *connection points* to be migrated to a different *user's access contract*.}
- (b) Each *connection point* created under clause 14.4(a) must have its own *metering equipment*.
- (c) Western Power must determine the *contestability* of each new *exit point* created under clause 14.4(a) separately.
- (d) A *retailer* must have *verifiable consent* from its *customer* before making an *electricity transfer application* to change the configuration of a *connection point*.
- (e) Western Power must determine, as a *reasonable and prudent person*, within 5 *business days* whether it will accept the *application*.
- (f) If Western Power determines that it cannot accept the *application* under clause 14.4(e), then:

- (i) Western Power must notify the *applicant* that it must submit, or procure that its *controller* submits, a *connection application*; and
- (ii) the *priority date* of such *connection application* shall be determined:
 - (A) if a *complete connection application* is received by Western Power within 20 business days of the notice sent to the *applicant* under clause 14.4(f)(i), from the date Western Power received the *electricity transfer application* under clause 14.4(a); and
 - (B) otherwise, from the date Western Power received the *complete connection application*.

15. Time to perform obligations

15.1 Extension of time to perform obligations

- (a) If:
 - (i) Western Power (acting as a *reasonable and prudent person*) has requested further information from an *applicant* under clause 3.11 which it reasonably requires to process an *electricity transfer application*; and
 - (ii) the request was made as soon as Western Power became aware that it required the information; and
 - (iii) Western Power has expeditiously and diligently progressed the processing of the *electricity transfer application* before making the request, after receiving the information and (to the extent possible) between making the request and receiving the information,then the time period for complying with any obligation under this *applications and queuing policy* is extended by an amount of time equal to the time taken by the *applicant* to comply with the request.
- (b) Without limiting the generality of clause 2.5, an *applicant* and Western Power may agree to extend any one or more of any of the time periods set out in this *applications and queuing policy* on one or more occasions, and:
 - (i) the time period is extended by the amount of time agreed; and
 - (ii) unless otherwise agreed, the time for complying with any other obligation is extended by the same amount of time.

15.2 Concurrent applications

Western Power must use reasonable endeavours to comply with the timeframes set out in this *applications and queuing policy* in respect of each *electricity transfer application* which is lodged with Western Power, whether or not it is processing more than one *electricity transfer application* concurrently.

PART C – CONNECTION APPLICATIONS

16. Specific connection applications

16.1 Connection application for a new connection point

- (a) An *applicant* who seeks to create a new *connection point* or to install new *generating plant* at an existing *connection point* must:
 - (i) submit a *connection application* on the *connection application form* that is applicable for the type of *facilities and equipment* to be *connected* at the *connection point*; and
 - (ii) submit, or procure that its *retailer* submits, an *electricity transfer application* under Part B of this *applications and queuing policy*.

16.2 Connection application for an increase or decrease of contracted capacity

- (a) If, after processing an *electricity transfer application* under clause 10.2, Western Power requires a *connection application*, then the *user* must submit or, if applicable, procure that its *customer* submits, a *connection application* on the *connection application form* that is applicable for the type of *facilities and equipment* that is *connected* at the *connection point*.
- (b) If a *customer* submits a *connection application* with respect to a *connection point* that will result in an increase to the *contracted capacity* of the *customer's retailer* for that *connection point*, then the *customer* must procure that its *retailer* submit an associated *electricity transfer application* under Part B of this *applications and queuing policy*.

16.3 Connection application to modify generating plant

If an *applicant* seeks to materially change the characteristics of *generating plant* *connected* at a *connection point*, then the *applicant* must complete those parts of the appropriate *application form* that deal with those characteristics, and include any additional information specified in the *application form* (which might include equipment schedules, drawings and computer models) that Western Power, as a *reasonable and prudent person*, might require to assess the impact of the modification on the *network* and other *users*.

16.4 Connection application to modify or augment the network

- (a) An *applicant* who seeks to modify or *augment* the *network* other than under clause 16.1 must submit a *connection application* on the applicable *connection application form*.

{Note: This might apply to, for example, a developer seeking to service a subdivision, a builder seeking a temporary supply, or a person seeking to relocate network assets.}

- (b) If there is no applicable *application form* provided for a *connection application* then the *applicant* may submit its *connection application* by notice to Western Power.

17. Lead time for connection applications

An *applicant* must endeavour to lodge a *connection application* to Western Power within a reasonable time before the requested *services start date*, having regard for:

- (a) the time required to determine if any *works* are required, and if so then the time required to plan, design, cost, approve, finance, construct and commission the *works*, including, if applicable, the time required to perform a *regulatory test*; and
- (b) the time required to finalise an *access offer* for the *connection application*; and
- (c) if the *applicant* has requested a derogation from the *technical rules*, then the time required to process this request.

17A. Pre-enquiry discussions

17A.1 Applicant may contact Western Power

A party considering making an application may contact Western Power to discuss a proposed connection application with Western Power. Western Power will provide reasonable assistance to such applicants but this will not include undertaking studies for the applicant.

17A.2 Informal discussions not binding

The discussions under this clause 17A are not binding on Western Power, and Western Power is not liable for any error or omission that is made as a *reasonable and prudent person* in the discussions under this clause 17A.

18. Enquiry stage

18.1 Compulsory enquiry notification

Where an *applicant* expects, in good faith, to proceed to a *connection application*, then prior to lodging a *connection application* with Western Power, the *applicant* must lodge an *enquiry* with Western Power to notify Western Power of the proposed *connection application*, and may request a preliminary assessment under clause 19.3, and Western Power must engage in such discussions in good faith and use all reasonable endeavours to satisfactorily and promptly address any matters raised by the *applicant*.

18.2 Applicant may request studies and information

An *applicant* may request Western Power to undertake system studies or perform other work necessary to assist the *applicant* in preparing its *connection application*, in which case:

- (a) Western Power must endeavour to perform such work within a reasonable time, provided it does not affect the timing and cost of processing *applications*; and
- (b) unused; and
- (c) clause 20 applies.

{This might occur, for example, if the *applicant* needs input into feasibility studies to determine which of its potential projects proceeds to an *application*.}

18.2A Western Power to issue an *enquiry* response letter at conclusion of *enquiry* stage

At the conclusion of the *enquiry* stage, Western Power must issue an *enquiry* response letter to the *applicant* setting out a description of the information required for a *complete* application, and the results of any assessment that it may have carried out to indicate the extent of any *spare capacity* available to provide *covered services*.

18.3 *Enquiry* response letter and discussions not binding

The *enquiry* response letter and discussions under this clause 18 are not binding on Western Power, and Western Power is not liable for any error or omission that is made as a *reasonable and prudent person* in the *enquiry* response letter and discussions under this clause 18.

18.4 Fee payable

At the time that the applicant lodges an *enquiry* under this clause 18, Western Power may charge a non-refundable fixed fee for processing the *enquiry*. For the avoidance of doubt, this is in addition to any other payment, charge for costs, or fee.

19. Reporting during the processing of the connection application

19.1 Initial response

- (a) Subject to clause 19.1(b), Western Power must provide an *initial response* to the *applicant* within 20 *business days* of receiving the *applicant's connection application*, specifying:
 - (i) the time by which Western Power will provide a preliminary assessment under clause 19.3 with regards to the *connection application* (if requested); and
 - (ii) the time by which Western Power expects to make an *access offer*.
 - (iii) unused
- (b) If, by the time by which Western Power is required to give an *applicant* an *initial response* under clause 19.1, Western Power has given the *applicant* an *access offer*, Western Power is not required to provide an *initial response* to the *applicant*.

19.2 Initial response is not binding

An *initial response* is not binding on Western Power, and Western Power is not liable for any error or omission, which is made as a *reasonable and prudent person*, in an *initial response*.

19.3 Preliminary assessment

A preliminary assessment with regards to a *connection application* may consist of an assessment as to:

- (a) whether it is likely that there is sufficient *spare capacity* to provide the requested *covered services* or whether any *works* might be required to provide the *covered services*, including whether it is likely that any new *connection assets* will be required to provide the *covered services* requested in the *application*; and
- (a2) whether any other *applications* are *competing* with the *application* and the possible grouping of the *application* with *competing* applications into one or more *competing applications groups*; and
- (b) if it is likely that *works* will be required — operational and technical details of the *works*; and
- (c) if it is likely that *works* will be required — whether or not a *contribution* will likely be required from the *applicant* under the *contributions policy* and a good faith estimate of the approximate amount of the *contribution*; and

- (d) if it is likely that *works* will be required – a good faith estimate of the likely time required for the planning, designing, approving, financing, construction and commissioning, as applicable, of any necessary *augmentation* or *works*; and
- (e) Western Power's proposal for processing the *application*, if applicable under clause 20.2.

19.4 Updates and progress reporting

- (a) An *applicant* must advise Western Power if there is a material change in any information previously provided by the *applicant* as part of the *applicant's application*.
- (b) Western Power must upon request by the *applicant* (which request must not be made more frequently than once per month, and must not be made less than one month following the provision of an *initial response*) provide a progress report to the *applicant* containing information in reasonable detail regarding the processing of the *connection application*, including whether there has been any material change in any estimates of scope, costs or times, either for processing the *connection application* or for any *works* that might result from the *connection application*, previously provided by Western Power.

20. Connection application costs

20.1 Applicant must pay costs

- (a) If:
 - (i) The *applicant* lodges an *enquiry* under clause 18, and the *applicant* requests Western Power to perform any system or other studies, prepare detailed cost estimates or do any other work to assist the *applicant* prior to the *applicant* lodging a *connection application*; or
 - (ii) an *applicant* has submitted a *connection application* and has agreed for Western Power to perform any system or other studies, prepare detailed cost estimates or do any other work to process the application, under clause 20.1 or clause 20.3,

then the *applicant* must, when requested by Western Power, pay to Western Power its reasonable costs incurred, or to be incurred within a reasonable timeframe, in processing the *enquiry* or *connection application*.

- (b) The total of the costs referred to in clause 20.1(a) must not exceed a genuine pre-estimate of the reasonable costs which would be incurred by a prudent *service provider*, acting efficiently and in good faith, in accordance with *good electricity industry practice*, seeking to achieve the lowest practicable cost of processing the *connection application*.
- (b1) For the avoidance of doubt, Western Power may charge applicants other fees and charges in addition to the costs referred to in this clause, and the provisions of clause 20.1(b) do not apply to such other fees and charges. Such fees include the application fees referred to in clause 7.1, the enquiry fee referred to in clause 18.4, the preliminary offer processing fee referred to in clause 24.3, and the preliminary acceptance fee referred to in clause 24.5(b).
- (c) The costs referred to in clause 20.1(a) must not include any costs of Western Power in relation to an access *dispute* (which are to be awarded by the *Arbitrator* under Chapter 10 of the *Code*).

20.2 Processing proposal

Where Western Power expects that it will seek to recover costs from an *applicant* under clause 20.1 or clause 20.3:

- (a) Western Power must provide a proposal to the *applicant* outlining the scope, timing and a good faith estimate of the likely costs to be incurred for processing the *connection application*; and
- (b) the *applicant* may request amendments to the scope of work in the proposal, in which case Western Power and the applicant must negotiate in good faith regarding the proposal. If Western Power and the applicant have not agreed within 60 business days on the scope of the work in the proposal, then the *connection application* and any associated *electricity transfer application* will be deemed to have been withdrawn; and

{Note: This might occur, for example, where the *applicant* is able to perform some of the works itself.}

- (c) the *applicant* may reject the proposal, in which case the *connection application* and any associated *electricity transfer application* are deemed to have been withdrawn; and
- (d) the *applicant* may at any time request Western Power to cease processing the *connection application*, in which case the *connection application* and any associated *electricity transfer application* are deemed to have been withdrawn and Western Power must cease all work on the *application*.

- (e) Where Western Power has charged an *applicant* costs under clause 20.1(a) or clause 20.3(a), then at the time of making an *access offer* to that *applicant* or at the time an *application* is withdrawn (whichever is earlier):
 - (i) If Western Power's actual costs are less than the costs that it has charged, Western Power must refund the unexpended portion of those costs; or
 - (ii) If Western Power's actual costs are more than the costs that it has charged, Western Power may charge an additional fee to cover the reasonable costs in excess of the fee it charged, and the applicant must pay any such additional fee.

20.3 Applicant-specific solution option

- (a) The *applicant* may request that Western Power perform a study under clause 20 of the nature and costs of an *applicant-specific solution* to satisfy the *connection application*. The *applicant* must pay the costs of the study.
- (b) Once Western Power has completed the study, it must provide existing *users* and any *competing applicant* that Western Power considers may be impeded by the *applicant-specific solution* with the opportunity to object to providing the *applicant-specific solution* to the *applicant*.
- (c) An existing *user* and *competing applicant* may object to the *applicant-specific solution* on the grounds that the *applicant-specific solution* would impede Western Power's ability to provide *covered services* to that existing *user* or to provide the *covered services* that are sought in a *competing application* to a *competing applicant* compared with what the position would be if the *applicant-specific solution* were not implemented.
- (d) Western Power will evaluate the objection and if it agrees that the *applicant-specific solution* would impede Western Power's ability to provide *covered services* to an existing *user* or to provide the *covered services* that are sought in the other *connection application* to a *competing applicant*, then it must either decline to offer an *applicant-specific solution* to the *applicant* or modify the *applicant-specific solution* so that the *applicant-specific solution* would not impede Western Power's ability to provide *covered services* to an existing *user* or the *covered services* that are sought in another *connection application* to a *competing applicant*. If Western Power elects to modify the *applicant-specific solution* then it must provide a further opportunity to object under clause 20.3(c) to existing *users* and *competing applicants* that Western Power considers may be impeded by the *applicant-specific solution*.
- (e) If:

- (i) no objections are made to an *applicant-specific solution*; or
- (ii) Western Power evaluates under clause 20.3(d) that an *applicant-specific solution* (whether the original *applicant-specific solution* or a further *applicant-specific solution* developed following modification under clause 20.3(d) above) would not impede Western Power's ability to provide *covered services* to an existing *user* or to provide the *covered services* that are sought in another *connection application* to a *competing applicant*,

then Western Power must make an *access offer* to the *applicant* based on the *applicant-specific solution* identified in this clause 20.3(e).

20.4 Disputes may be referred to *Arbitrator*

A dispute between an *applicant* and Western Power regarding a cost under clause 20 may be referred by either party to the *Arbitrator* under section 10.13 of the *Code* (expedited hearings) for determination, in which case the *Arbitrator* may either affirm the amount or reduce it.

20A. Unpaid fees or charges

Where any fees or charges under this *access and queuing policy* remain unpaid by an applicant more than 60 *business days* after they are levied or charged, the applicant's *application* and any associated *electricity transfer application* are deemed to be withdrawn.

21. Contributions policy applies

If, during the processing of the *connection application*, Western Power determines that *works* are required to provide the *covered services* sought in the *connection application*, then the *contributions policy* applies to the *connection application*.

22. Unused

23. Release of contracted capacity

Without limiting the circumstances by which *spare capacity* becomes available on the *network*, when an existing *user* reduces *contracted capacity* at one *connection point* and that reduction increases *spare capacity*, then any *application* for that *spare capacity* must be processed by Western Power in accordance with clause 24 and clause 24A, regardless of whether the *user* makes a concurrent *connection application* at that or another *connection point*.

24. Where there are competing applications.

24.1 Formation of *competing applications groups*

Where Western Power assesses that an *application* is competing with other *applications*, then Western Power may elect to manage *competing applications* by forming them into one or more *competing applications groups* and assessing a single set of *works* for *shared assets* required to meet some or all of the requirements of each *competing applications group*.

24.2 Notice of intention to prepare a *preliminary access offer*

Where Western Power considers that a single set of *works* for *shared assets* may meet some or all of the requirements of the *applicants* within a *competing applications group*, it will issue a notice of intention to prepare a preliminary access offer to all *applicants* within that *competing applications group*, and charge a preliminary offer processing fee.

24.3 Response to notice of intention to prepare a *preliminary access offer*

Applicants must respond to the notice issued under clause 24.2 within 30 business days by:

- (a) agreeing to have their application considered within a *competing applications group* and paying the preliminary offer processing fee. By paying the preliminary offer processing fee, *applicants* demonstrate the good faith of their intention to proceed to an *access contract*, and as such the preliminary offer processing fee is non-refundable. Where the applicant subsequently enters an *access contract*, the preliminary offer processing fee will be counted towards any *contribution* payable under the *contributions policy*, or where it exceeds any *contribution* payable under the contributions policy, the excess will be counted towards applicable reference tariffs; or
- (b) withdrawing their *application*.

Where *applicants* fail to respond to the notice issued under clause 24.2 within 30 business days, their *application* and any associated *electricity transfer application* will be deemed to be withdrawn.

24.4 Western Power's actions following response to the notice of intention to prepare a *preliminary access offer*

Following the response of applicants under clause 24.3 (if any), Western Power may, if it continues to consider that a single set of *works* for *shared assets* may meet some or all of the requirements of a *competing applications group*, make *preliminary access offers* to each applicant within the relevant *competing applications group* at the same time.

24.5 Response to *preliminary access offers*

- (a) *Applicants* must respond to the *preliminary access offers* within 30 *business days* after receipt of the *preliminary access offers*, by indicating in good faith in writing either:
 - (i) that it would accept such a *preliminary access offer* if it were an access offer ("*preliminary acceptance*"). For the avoidance of doubt, such a *preliminary acceptance* does not give rise to a contract; or
 - (ii) that it would reject such a *preliminary access offer* if it were an access offer and would request an amendment to the *preliminary access offer*. In this case Western Power and the *applicant* must negotiate in good faith regarding the form of the *preliminary access offer*, but if Western Power and the applicant have not agreed on the form of the *preliminary access offer* within 30 business days, then the *connection application* and any associated *electricity transfer application* will be deemed to have been withdrawn; or
 - (iii) that it would not accept such a *preliminary access offer* if it were an access offer, in which case the *connection application* and any associated *electricity transfer application* are deemed to have been withdrawn.
- (b) Where *applicants* respond under either clause 24.5(a)(i) or clause 24.5(a)(ii), they must pay within 30 business days a preliminary acceptance fee to Western Power as a demonstration of good faith in their intention to proceed to an access contract. The preliminary acceptance fee is non-refundable but, where the applicant subsequently enters an *access contract*, the preliminary acceptance fee will be counted towards any *contribution* payable under the *contributions policy*, or where it exceeds any *contribution* payable under the *contributions policy*, the excess will be counted towards applicable reference tariffs.

24.6 Subsequent access offers

After reviewing the responses by *applicants* to *preliminary access offers* under clause 24.5 above, Western Power may:

- (a) make *access offers* to *applicants* within the *competing applicants group*. If Western Power makes *access offers* to applicants within the *competing applicants group*, it may make the *access offers* conditional on sufficient acceptance of the *access offers* by applicants to ensure that access can be provided to the *applicants* collectively for the costs nominated in the *access offers*; or
- (b) revise its *preliminary access offer* and submit those revised *preliminary access offers* to *applicants*; or

- (c) where the sum of the *preliminary acceptance* by *applicants* within a *competing applications group* exceeds the capacity of the proposed works, Western Power may make *access offers* to *applicants* in the order of the *priority date* of *applications* until there is no more spare capacity. If Western Power fails to make an *access offer* to an *applicant* within a *competing application group*, then notwithstanding any other provision in this *access and queuing policy*, the application will remain valid and retain its *priority date* and Western Power will refund any preliminary offer processing fee or preliminary acceptance fee paid by the *applicant*.

{Note: An access offer might not be made to an *applicant* under 24.6(c) because there is no more *spare capacity* after making *access offers* to *applicants* with earlier *priority dates*.}

24.7 Changing composition of *competing applications group*

Western Power may change the composition of a *competing applications group* at any time including where some of the *applicants* within the *competing applications group* withdraw their *applications*, additional applications are made that could be included in the *competing applications group*, following responses by *applicants* to *preliminary access offers*, or following changes regarding the nature or location of constraints following other network developments, changes in generation or changes in loads in which case Western Power may recommence the processes under this clause 24.

24.8 Determining extent of *spare capacity*

In determining whether there is *spare capacity* to provide *covered services* requested in a *connection application* or group of *applications*, Western Power must assume that any existing *access contract* will be renewed in accordance with the terms of that *access contract*.

24.9 Types of information

Western Power must make known to any *applicant* that has lodged an *application* with Western Power, or to any existing *user* with a conditional *access contract* under clause 4.8:

- (a) whether there are *competing connection applications*; and
- (b) a description of the circumstances which caused the *connection applications* to be *competing connection applications* (including information in reasonable detail regarding the aggregated *capacity* requirements of those *competing connection applications*); and
- (c) an estimate of the likely time until the making of an *access offer*; and
- (d) except to the extent that it is prevented from doing so by clause 6.2, in respect of each *competing connection application*:

- (i) the capacity requirements of the *competing connection application* or *competing connection applications*; and
- (ii) the geographic location at which the *competing connection application* seeks the *capacity*; and
- (iii) reasonable details regarding any *augmentation* required by the *competing connection application*.

24.10 When Western Power must update information

Western Power must provide the information in clause 24.9:

- (a) *unused*; and
- (b) at any time after a reasonable request by the *applicant* for updated information; and
- (c) as soon as practicable after a material change in the information previously notified under this clause 24.10, including when information of the kind referred to in clause 24.9(d) which was previously withheld on the ground that Western Power was prevented from doing so by clause 6.2 is no longer entitled to be withheld on that ground.

24.11 Concurrent consideration

Nothing in clause 24 prevents Western Power from processing more than one *connection application* concurrently.

24.12 When clause 24 does not apply

The provisions in clause 24 do not apply to a *transition application*.

24A. Priority dates of applications in particular circumstances

24A.1 Withdrawn connection applications

An *application* which is withdrawn, or deemed by this *applications and queuing policy* to have been withdrawn, loses its *priority date*, even if it is subsequently amended or resubmitted.

24A.2 Tender projects

- (d) If:
 - (i) two or more *applicants* notify Western Power that they are competing under a tender process, with respect to new *generating plant*; and

- (ii) only the *applicant* that is successful in its bid will proceed with an access *contract*,

then Western Power must treat each of the *connection applications* that are *competing*, as having the *priority date* of the earliest such *connection application*.

- (e) If an *applicant* that has been unsuccessful in a tender process under clause 24A.2 decides to continue with a *connection application*, then the *priority date* of the *connection application* will become the date that the *connection application* would have had based on the date the *applicant* submitted the *connection application*.

24A.3 Amended *connection applications*

- (a) Subject to clause 24A.3(b), an amended *connection application* has the same *priority date* as the original *connection application*.
- (b) Subject to clause 24A.3(c), if an amended *connection application* is materially different from the original *connection application*, and if the difference is such that an *applicant* whose *competing application* has a *priority date* subsequent to the original *connection application* is materially prejudiced in terms of the likelihood, timing, cost and terms of its obtaining access (compared with that later *applicant's* position with respect to the original *connection application*), then:
 - (i) if it is possible to construe the amended *connection application* as a combination of the original *connection application* and a notional supplementary *connection application* (whether for further *capacity* or otherwise), the original *connection application* retains its *priority date* and the notional supplementary *connection application* has a *priority date* according to the time of amendment; but
 - (ii) otherwise — the amended *connection application* has a *priority date* according to the time of amendment.
- (c) For the purposes of clause 24A.3(b), without limiting the ways in which an amended *connection application* may be materially different from the original *connection application*, an amended *connection application* is not materially different from the original *connection application* if the *capacity* sought in the amended *connection application* is less, or less than 5% more than, the *capacity* sought in the original *connection application*.

- (d) Notwithstanding clause 24A.3(a) or clause 24A.3(b) or clause 24A.3(c), where an *applicant* has provided a response under clause 24.3 agreeing to have their *application* considered within a *competing applications group* following receipt of a notice of intention to prepare a *preliminary access offer* under clause 24.2 and where that *applicant* subsequently amends its *connection application* then Western Power is not obliged to make or to amend a *Preliminary Access Offer* based on the amended *application*.

24A.4 Network Control Services

Western Power may make an *access offer* as a result of a procurement process for *Network Control Services* without regard to whether there are any *competing connection applications*.

25. Additional terms of the preliminary access offer or access offer

25.1 Terms under contributions policy

Western Power must include as terms of the *preliminary access offer* or *access offer*:

- (a) the amount of any *contribution* and other payments, such as rebates, determined under the *contributions policy*; and
- (b) any terms related to the provision of the *contribution* that the *applicant* has selected under the *contributions policy*.

25.2 Exemptions from technical rules

The terms related to any exemption to the *technical rules* determined under Chapter 1 of the *technical rules* must be included in the *preliminary access offer* or *access offer*.

26. Making the access offer

Western Power must, acting as a *reasonable and prudent person*, give an *access offer* to the *applicant* as soon as practicable after the *complete connection application* is lodged, having regard to the nature of the *connection application*, consideration of *competing applications* and the need (where applicable) for *works* involving *shared assets* in order for Western Power to be able to provide access in accordance with the Technical Code.

SCHEDULE 1 FORM OF GUARANTEE**DATE** []**PARTIES**

1. [### ACN ### a company registered in ### of ###] (“**Guarantor**”); and
2. **Electricity Networks Corporation ABN 18 540 492 861**, a statutory body corporate established by paragraph 4(1)(b) of the *Electricity Corporations Act 2005* (WA) of 363 Wellington Street, Perth, Western Australia (“**Western Power**”).

RECITALS

- A. Western Power may in its discretion provide Services to [###] (“**the User**”) under an Access Contract at the request of each of the User and the Guarantor.
- B. The Guarantor wishes to execute this Guarantee to secure payment of all amounts payable under the Access Contract to Western Power.

OPERATIVE PROVISIONS

(a) Guarantee

The Guarantor unconditionally and irrevocably Guarantees as a continuing security to Western Power payment by the User of all moneys and liabilities due and/or payable from or by the User to Western Power under or in connection with the contract dated [###] (“**Access Contract**”) created between the User and Western Power (“**Secured Moneys**”), including moneys and liabilities incurred or arising:

- (i) (**liability**): at any present or future time, whether actually or contingently;
- (ii) (**default**): as a result of any breach of or default under the Access Contract; and/or
- (iii) (**account**): by way of principal, interest, cost, charge, expense, disbursement, fee, tax, stamp or other duty, indemnity, damages or monetary judicial order.

(b) Secured Moneys

(i) Demand payment

The Guarantor must pay to Western Power, upon demand by Western Power at any present or future time, the amount of the Secured Moneys due from and payable by the User to Western Power at that time under, and in the manner and currency specified in, the Access Contract.

(ii) Costs

The Guarantor must at any present or future time indemnify Western Power upon demand for any cost, charge, expense, disbursement, fee, tax or stamp or other duty incurred by Western Power at any time in connection with the Access Contract, this Guarantee or the Secured Moneys relating to:

- (A) **(security agreements)**: preparation, negotiation, execution or performance, or any termination, amendment, consent, claim, demand or waiver;
- (B) **(security rights)**: any exercise or enforcement of any right or power conferred on Western Power;
- (C) **(credit increases)**: any extension of further, additional or increased credit or financial accommodation by Western Power, or agreement by Western Power to increase the amount secured; and/or
- (D) **(payments)**: the receipt or payment of any moneys, including moneys paid by Western Power by way of reimbursement to any third party.

(iii) Set-Off exclusion

The Guarantor must make any payment required under this Guarantee without set-off or other deduction, except for the deduction or withholding of any tax compelled by law.

(c) Indemnity

The Guarantor must as a separate and additional liability of the Guarantor as a principal debtor, and not as a surety, indemnify Western Power against, and pay to Western Power upon demand by Western Power an amount equal to, all Secured Moneys that are or may become invalid, unenforceable, illegal or irrecoverable for any reason or under any circumstances as a liability to Western Power by the Guarantor as a surety, despite any other provision of this Guarantee.

(d) Guarantee protection

This Guarantee, and the liability of the Guarantor under this Guarantee, is not affected at any time by:

- (i) **(waiver)**: the granting to any person by Western Power of any waiver;
- (ii) **(agreements)**: any agreement, deed or document created with, or action or omission performed, representation made or non-disclosure of any fact or information by, Western Power or any person;
- (iii) **(Secured Moneys)**: any increase or variation in the amount of the Secured Moneys occurring for any reason;

- (iv) **(document amendment)**: any amendment to or transfer, release or termination of any agreement, deed or document or any right, power or liability of any person under any agreement, whether for or without consideration;
- (v) **(enforcement decisions)**: any exercise or enforcement, or any failure or invalidity in, the exercise or enforcement by Western Power of any right or power conferred on Western Power under any agreement, deed or document or by law;
- (vi) **(invalidity)**: any actual or potential invalidity, unenforceability, illegality or irrecoverability of any agreement, deed or document or consent or any payment made or due to Western Power under any agreement for any reason;
- (vii) **(incapacity)**: any incapacity or absence of power or authorisation of, or other fact relating to, any person in connection with the execution of any agreement, deed or document or otherwise, including any change in the constitution or membership of any person; or
- (viii) **(residual)**: any other breach, default, waiver or fact which, except for this provision, might legally operate:
 - (A) to release or discharge or have any prejudicial effect on; or
 - (B) in any manner to release or discharge the Guarantor from performance of, or limit or provide a defence to any legal action to enforce,this Guarantee, or any liability of the Guarantor under or in connection with this Guarantee.

(e) Termination

The Guarantor is not entitled to terminate or limit this Guarantee, or any liability of the Guarantor under this Guarantee, until the Secured Moneys have been paid in full.

(f) Governing Law

This Guarantee is governed by and construed under the law of the State of Western Australia.

(g) General

(i) Continuing Security

This Guarantee is a continuing security and is not wholly or partially discharged by the payment at any time of any Secured Moneys, settlement of account or other fact and applies to the balance of the Secured Moneys at any time until a final termination of this Guarantee by Western Power.

(ii) Further Assurance

The Guarantor must upon request by Western Power at any time execute any document and perform any action necessary to give full effect to this Guarantee, whether prior or subsequent to performance of this Guarantee.

(iii) Waivers

Any failure or delay by Western Power to exercise any right or power under this Guarantee does not operate as a waiver and the single or partial exercise of any right or power by Western Power does not preclude any other or further exercise of that or any other right or power by Western Power.