

Submission to the Economic Regulation Authority



Western Power Access Arrangement No.5: Reference Services

20 April 2022

Contents

| | | |
|------|---|----|
| 1. | Executive summary..... | 3 |
| 2. | Introduction..... | 5 |
| 3. | Regulatory requirements..... | 5 |
| 4. | ERA F&A requirements..... | 6 |
| 5. | Summary of Synergy’s reference service requirements..... | 9 |
| 6. | Reference Services that Synergy requests modification..... | 13 |
| 6.1 | WEM Rules and the provision of covered services..... | 13 |
| 6.2 | Reference service D2 - Capacity (swap) relocation..... | 14 |
| 6.3 | Reference service A2/C2 - Anytime energy (business)..... | 18 |
| 6.4 | Reference service A18/C16 - Super Off-peak (Residential) and A19/C17 – Super Off-peak (Business)..... | 19 |
| 6.5 | Reference service C18 - Low voltage distribution storage..... | 21 |
| 6.6 | Reference service C21- Low voltage electric vehicle charging..... | 22 |
| 6.7 | Reference service C19- High voltage distribution storage..... | 22 |
| 6.8 | Reference service C22- High voltage electric vehicle charging..... | 22 |
| 6.9 | Reference service C20- Transmission storage..... | 23 |
| 6.10 | Reference service B3/C15 - Services facilitating a distributed generation or other non-network solution..... | 23 |
| 6.11 | Reference service D6 - Remote load/inverter control..... | 26 |
| 6.12 | Reference services D8/D9/D11 - Remote de-energise and re-energise services..... | 27 |
| 6.13 | Determining service standards for ancillary services..... | 27 |
| 6.14 | Metering data reference services..... | 28 |
| | Appendix A - Applicable ENAC requirements..... | 30 |
| | Appendix B - Synergy’s required D2 capacity relocation reference service..... | 34 |
| | Appendix C - Synergy’s combined B3/C15 – Service facilitating a distributed generation or other non-network solution..... | 37 |
| | Appendix D - Synergy’s required remote load/inverter control service..... | 38 |
| | Appendix E – Alternative drafting of the “sole purpose” criterion for storage and EV charging services (C18-C22)..... | 39 |

1. Executive summary

| | |
|----------------|--|
| Matter | Western Power's (WP) proposed reference services applicable to its fifth access arrangement (AA5). ¹ |
| Context | <p>The Economic Regulation Authority (ERA) published its AA5 framework and approach for WP's fifth access arrangement review final decision² (F&A) in August 2021.</p> <p>The Electricity Networks Access Code (ENAC) section 5.2(b) provides that an access arrangement must specify a reference service for each covered service that is likely to be sought by a significant number of users or end-use customers (including new applicants) or a substantial proportion of the network services market. The ENAC also provides for all other covered services to be provided as non-reference services negotiated with users.</p> <p>WP's proposed AA5 published on 1 February 2022 proposes to modify some AA4 reference services for AA5 and to introduce several new reference services for AA5.</p> <p>Synergy appreciated the opportunity to engage with WP in relation to its proposed AA5 reference services. Synergy supports a number of WP's proposed references without modification. However, some proposed references service eligibility criteria (as detailed in this submission) require modification. Synergy requests the ERA to make a regulatory determination in favour of Synergy's requested reference service requirements consistent with ENAC section 5.2.</p> |
| Scope | <p>This submission details:</p> <ul style="list-style-type: none"> • reference services Synergy supports without modification • amended reference services Synergy requires and considers meet the criteria for reference services • new reference services Synergy requires and considers meet the criteria for reference services • Synergy's regulatory basis for its proposed changes to reference services. <p>Accordingly, this submission constitutes a request for the ERA to require network services to be included as reference services.</p> |
| Issues | <ol style="list-style-type: none"> 1. Synergy supports the A1, C1, A4, C4, A5, C5, A6, C6, A7, C7, A8, C8, A11, D1, A9, A10 and D10 reference services for AA5 without modification. 2. Synergy does not support the following reference services in the form proposed by WP for AA5 as they do not meet Synergy's requirements in accordance with ENAC section 5.2: <ol style="list-style-type: none"> (a) B1, B2, D2. Synergy's concern relates to the proposed inclusion of WEM Rules compliance as an eligibility criterion. |

¹ <https://www.erawa.com.au/cproot/22426/2/Appendix-E---Reference-Services---Track-Changes-1-February-2022-.pdf>

² <https://www.erawa.com.au/cproot/22112/2/Western-Power-AA5-Review---Framework-and-approach---Final-decision.PDF>

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- (b) D2. Synergy's concern relates to WP not adopting Synergy's reference service requirements.
- (c) A2, C2. Synergy's concern relates to not being able to utilise the service in situations where its customers' sites are temporarily vacant or are in care and maintenance.
- (d) A12-A17, C9-C14, A18, C16, A19, C17. Synergy's concerns relate to:
- Limited transparency of the proposed new super off-peak reference service pricing and multipliers (price differentiation) in the tariff structure statement
 - Not being able to utilise the existing time of use reference services for new connection points from 1 July 2023.
- (e) C18, C19, C20, C21, C22. Synergy's concerns relate to the "sole use" eligibility criteria and a lack of metered demand and contract maximum demand pricing structures applicable to low and high voltage connected storage and electric vehicle charging reference services.
- (f) B3, C15. Synergy's concern relates to its experience of not being able to utilise these reference services in AA4.
- (g) D6. Synergy's concern relates to a lack of visibility as to how the reference service can be utilised using WP's infrastructure capability.
- (h) D1, D6, D8, D9, D11, D12 D13. Synergy's concerns relate to some service standards being inconsistent with the *Code of Conduct for the Supply of Electricity to Small Use Customers 2018 (Code of Conduct)*.
- (i) Metering data reference services. Synergy's concern relates to the reference service not permitting users to choose what type of interval data service they require.
3. Section 6 of this submission details Synergy's proposed reference service requirements in relation to matters (a)-(i) above, consistent with ENAC section 5.2.
4. Synergy and WP have continued to engage on various matters detailed in section 2 above following WP's AA5 lodgement with the ERA in February 2022. Consequently, Synergy and WP may be able to conclude a number of reference service requirements prior to the ERA's draft AA5 decision. (Those matters still being progressed between Synergy and WP are detailed in this submission.)
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2. Introduction

Synergy is Western Australia's largest electricity retailer and the largest user of WP's network. Synergy's retail and generation electricity transfer access contracts with WP collectively involve more than one million connection points. Synergy pays WP more than \$1.3 billion annually for transport and metering services under its existing ETACs.

During 2020/21 and 2021/22 Synergy worked collaboratively with WP to determine Synergy's reference services requirements. While agreement has been reached on a range of reference service requirements, there are still some outstanding matters for which Synergy may require an ERA regulatory determination.

In addition to the criteria in ENAC section 5.2, reference services should be consistent with the Code objective, specifically to promote efficient investment in, and efficient operation and use of, services of networks in Western Australia for the long term interest of consumers.³

However, various WP proposed reference services currently do not reflect the long term interests of consumers as per ENAC section 5.2. The provision of network services that reflect user requirements is essential for users to develop and offer products and services that meet their customers' requirements. Synergy's concerns principally relate to reference service eligibility criteria that are:

- Not appropriate
- Limited in application
- Overly restrictive
- Require further definition.

3. Regulatory requirements

The ENAC and F&A provide the fundamental regulatory requirements for determining a reference service.

The ENAC requirements for the provision of reference services is outlined in Appendix A to this submission.

The ENAC requirements for the F&A⁴ are outlined in subchapter 4A.

In addition to the ENAC requirements, the ERA has also determined requirements for the proposed access arrangement in the F&A. These are outlined in Section 4 to this submission.

The ERA's AA5 F&A final decision states that "The ERA considers the Code objective must be read as a whole."⁵ Synergy, similarly, considers the requirements in the F&A must also be read as a whole. In addition, ENAC section 4.A11 requires a proposed access arrangement to be consistent with requirements of the F&A.

Synergy considers the F&A requirements (in respect of ENAC section 4.A11) must be interpreted in a way that is consistent with the ENAC and the Code objective.

Where there is a perceived conflict between a F&A requirement and a specific ENAC criterion, given the requirements of section 2.3(a), 4.A1 and 4.A11, Synergy's position is that the specific ENAC criterion and the Code objective must prevail.

Synergy is best placed to determine the network services its customers require and which network services Synergy is commercially prepared to offer its customers. As the State's largest user of network services, largest generator and largest retailer Synergy represents a "significant number" of

³ ENAC section 2.1

⁴ Framework and approach for Western Power's fifth access arrangement review, final decision, 9 August 2021.

⁵ Framework and approach for Western Power's fifth access arrangement review, final decision, 9 August 2021, page 4. See item 1 in Section 4 below.

customers/applicants for covered services for the purposes of the test in ENAC section 5.2(b)(i), where “customer” is defined in section 1.3 to mean a user or end-use customer in the end-use customer’s capacity as indirect customer for covered services and end-use customer is defined to mean a consumer who obtains the benefit of covered services through a user.

Synergy considers each of the services set out in this reference services submission meet the criteria in ENAC section 5.2, being that they are each "covered services" within the meaning of the ENAC and they are likely to be sought by either or both of a:

- Significant number of "users" and "applicants"
- Substantial proportion of the "market" for "services" in the "covered network".

Some AA4 reference services Synergy has sought to use - specifically the distributed generation reference service, capacity sharing reference service, load control and load limitation service - have proven unsuccessful to use due to the existing eligibility criteria. Hence, Synergy’s request that the ERA require modification of the relevant eligibility criteria (these matters are covered in greater detail later in this submission.)

4. ERA F&A requirements

The ERA’s F&A final decision included a range of positions relevant to a network user’s requirement to access network services. These matters are detailed in the table below.

| Item | F&A requirements | F&A Page ⁶ |
|------|---|-----------------------|
| 1 | <p>Code objective - Section 4.A1 requires the framework and approach to be consistent with the Code objective.</p> <p>The ERA considers that the Code objective must be read as a whole. There are three limbs which must be considered by the ERA. The ERA is of the view that these limbs may be balanced or weighed, but all must be considered.</p> | 3 4 |
| 2 | <p>Interpretation - The ENAC sets out rules for when the Code objective may conflict with specific criteria and which prevails to the extent of the inconsistency. While sections 2.3 and 2.4 provide guidance on inconsistencies and conflicts, complex interactions may arise when determining whether there is an inconsistency and which factor should prevail in each circumstance.</p> <p>Sections 2.3 to 2.4 also may not deal with situations where there is a conflict between the three limbs of the Code objective.</p> | 4 |
| 3 | <p>User consultation - The ERA expects that WP will consult with its users to finalise eligibility criteria and pricing prior to submitting its proposal to the ERA.</p> | 15 |
| 4 | <p>Stakeholder submissions - Matters that have been raised in stakeholder submissions during the framework and approach consultation process should be addressed.</p> | 15 |
| 5 | <p>Stand-alone power systems (SPS) - If WP was able to offer stand-alone power systems as a specific service, measures would be necessary to ensure it was not subsidised by the regulated business and did not adversely affect competition.</p> | 10 |

⁶ Framework and approach for Western Power’s fifth access arrangement review, final decision, 9 August 2021.

| Item | F&A requirements | F&A Page ⁶ |
|------|---|-----------------------|
| | <p>On the basis that WP can install stand-alone power systems only where it is a cheaper option than an existing network connection, the ERA maintains its position that stand-alone power systems should be captured under the existing exit and bi-directional reference services. Users will be able to access metering and any other services required in the same way they currently do for exit and bi-directional services.</p> | |
| 6 | <p>Approach to setting reference tariffs - WP will need to demonstrate that its proposed tariffs are cost reflective, with evidence to support its proposal.</p> <p>In addition to the current time periods being unsuitable, the current prices provide little differentiation between time periods.</p> <p>The ERA expects WP to address price differentiation in its tariff structure statement.</p> <p>WP will need to ensure that its proposed time of use tariffs are cost reflective and encourage efficient use of the network. The tariff structure statement will also need to address how existing time of use periods will be transitioned to the revised time of use periods.</p> | 17 18 |
| 7 | <p>Eligibility criteria - For this first framework and approach, the ERA can choose to include eligibility criteria, structure and charging parameters and a description of the approach to setting each tariff. However, this is optional. The inclusion of these elements will be mandatory for future reviews.</p> <p>WP should consult with relevant users to develop the eligibility criteria and charging parameters for inclusion in its access arrangement proposal.</p> | 14 20 |
| 8 | <p>High voltage network connections. Reference services for high voltage network connections have demand-based tariffs. While this is generally the most appropriate tariff structure for large customers connected to the high voltage network, the ability to access an energy consumption-based tariff if a site becomes vacant or there is a temporary drop in demand would better assist users to manage energy costs.</p> | 19 |
| 9 | <p>Developing new services - The ERA agrees that WP will need to work with users to develop effective new services. However, WP is best placed to understand the capability of its infrastructure and what services it could provide. WP should be incentivised to identify services it can offer to users and to earn revenue.</p> | 22 |
| 10 | <p>Metering, streetlight and smart technology - Consideration should be given to providing reference services for any other function that could easily be added to WP's existing infrastructure and that would enable users to actively manage demand.</p> <p>The ERA expects WP to engage with stakeholders about the capability (and potential) of its metering and streetlight assets to provide services that will enable users to actively manage their demand.</p> | 22 23 |

| Item | F&A requirements | F&A Page ⁶ |
|------|---|-----------------------|
| 11 | <p>Eligibility criteria duplication - In its submission on the issues paper, WP considered there would be benefit in removing duplication between reference service eligibility criteria and the standard electricity transfer access contract and applications and queuing policy. For example, the requirement that consumer facilities and equipment must comply with the Technical Rules is included in the reference service eligibility criteria and the standard electricity transfer access contract.</p> <p>The ERA agrees there would be merit in removing duplication of requirements.</p> | 19 |
| 12 | <p>Distributed energy resources - The AEMC is currently developing rule changes to facilitate the integration of distributed energy resources, such as small scale solar and batteries, into the electricity grid including:</p> <ul style="list-style-type: none"> • Updating the regulatory framework to clarify that distribution services are two-way and include export services from consumers • Promoting incentives to efficiently invest in, operate and use export services. This will encourage distribution networks to deliver export services that customers value. Currently there are no financial penalties for poor network export service and no rewards for improvements • Enabling distribution networks to offer two-way pricing for export services, allowing them to develop options that reward owners of distributed energy resources for sending power to the grid when it is needed and charging them for sending power when it is not • Allowing flexible pricing at the network level, enabling distribution networks to develop pricing options to suit their capability, customer preferences and jurisdictional policies <p>The ERA expects that WP will consider these matters when developing its tariff structure statement and other elements of its access arrangement proposal.</p> | 17 |
| 13 | <p>Metering reference services - The ERA expects that WP will review the metering service descriptions and eligibility criteria in its access arrangement proposal to ensure that metering services reflect any updated requirements since AA4 and the concerns raised by Alinta.</p> <p>Implementing effective metering services, including the ability to obtain interval data and upgrade to an advanced meter where it is beneficial to do so, will support the development of the actions under the DER roadmap and the energy transformation generally.</p> | 21 |
| 14 | <p>Demand risk. WP is incentivised to identify innovative services and the corresponding efficient tariff structures that will best match the needs of users using the new services. The need to manage demand risk also incentivises WP to set tariffs that assist it to manage demand on the network and its consequent costs.</p> | 37 |

5. Summary of Synergy’s reference service requirements

To assist the ERA’s consideration of Synergy’s reference services submission, Synergy has adopted a ‘traffic light’ approach to identify which services:

- **Meet Synergy’s needs** i.e. where the proposed service is consistent with the ENAC, Synergy’s and its customers’ needs and long-term interests (‘green light’)
- **Partially meet Synergy’s needs** i.e. where the proposed service is partially consistent with the ENAC, Synergy’s and its customer’s needs and long-term interests but requires amendment to fully meet the ENAC, Synergy’s and its customer’s requirements (‘amber light’)
- **Does not meet Synergy’s needs** i.e. where Synergy does not agree that the proposed service is consistent with the ENAC, Synergy’s and its customers’ needs and long-term interests (‘red light’)

| WP’s existing & proposed reference services | Meets Synergy / customer needs | Rationale | Submission reference |
|--|---|--|----------------------|
| A1 - Anytime Energy (Residential) Exit Service |  | Synergy proposes no changes to this service. | N/A |
| C1 - Anytime Energy (Residential) Bi-directional Service |  | Synergy proposes no changes to this service. | N/A |
| A4 - Time of Use Energy (Business) Exit Service |  | Synergy proposes no changes to this service. | N/A |
| C4 - Time of Use (Business) Bi-directional Service |  | Synergy proposes no changes to this service. | N/A |
| A5 - High Voltage Metered Demand Exit Service |  | Synergy proposes no changes to this service. | N/A |
| A6 - Low Voltage Metered Demand Exit Service |  | Synergy proposes no changes to this service. | N/A |
| C6 - Low Voltage Metered Demand Bi-directional Service |  | Synergy proposes no changes to this service. | N/A |
| A7 - High Voltage Contract Maximum Demand Exit or Bi-directional Service |  | Synergy proposes no changes to this service. | N/A |
| C7 - High Voltage Contract Maximum |  | Synergy proposes no changes to this service. | N/A |

| WP's existing & proposed reference services | Meets Synergy / customer needs | Rationale | Submission reference |
|--|---|--|----------------------|
| Demand Bi-directional Service | | | |
| A8 - Low Voltage Contract Maximum Demand Exit Service |  | Synergy proposes no changes to this service. | N/A |
| C8 - Low Voltage Contract Maximum Demand Bi-directional Service |  | Synergy proposes no changes to this service. | N/A |
| A9 - Streetlight Exit Service |  | Synergy proposes no changes to this service. | N/A |
| A10 - Unmetered Supplies Exit Service |  | Synergy proposes no changes to this service. | N/A |
| D10 - Streetlight LED Replacement Service ⁷ |  | Synergy proposes no changes to this service. | N/A |
| B1 - Distribution Entry Service B2 - Transmission Entry Service D2 - Capacity Allocation Swap (Nominator) (Business) Service |  | Synergy considers the requirement to comply with the WEM Rules as an eligibility criterion is inconsistent with ENAC requirements, is potentially unnecessary, creates duplication and regulatory uncertainty. | 6.1 |
| D2 Capacity Allocation Service |  | Synergy requires a service that meets the F&A and its requirements, as specified in Appendix B. | 6.2 |
| A2/C2 Anytime Energy (Business) Service |  | WP's proposed eligibility criteria will limit customer's from using this service in situations where their sites are temporarily vacant or are in care and maintenance. Synergy and WP continue to engage on this matter. | 6.3 |

⁷ WP in its amendments to the AQP has proposed this service will no longer be provided and will prevent users from using this service. Refer to Synergy's submission, Applications and Queuing Policy and Standard Access Contract, section 5.3.

| WP's existing & proposed reference services | Meets Synergy / customer needs | Rationale | Submission reference |
|---|---|---|----------------------|
| <p>A18/C16 - Super Off-peak Energy (Residential) Service</p> <p>A19/C17 - Super Off-peak Energy (Business) Service</p> <p>C17 - Super Off-peak Energy (Business) Bi-directional Service</p> |  | <p>Synergy supports WP's proposed reference service time bands of:</p> <ul style="list-style-type: none"> • Super off-peak - 9am to 3pm - every day • On Peak - 3pm to 9pm - every day • Shoulder - 6am to 9am and 9pm to 11pm - every day • Off-peak - all other times - every day. | 6.4 |
| <p>A12/C9 3 Part Time of Use Energy (Residential) Exit Service</p> <p>A13/C10 3 Part Time of Use Energy (Business) Exit Service</p> <p>A14/C11 3 Part Time of Use Demand (Residential) Exit Service</p> <p>A15/C12 3 Part Time of Use Demand (Business) Exit Service</p> <p>A16/C13 Multi Part Time of Use Energy (Residential) Exit Service</p> <p>A17/C14 Multi Part Time of Use Energy (Business) Exit Service</p> |  | <p>There is a limited transparency of the proposed reference service pricing and multipliers (price differentiation) in the tariff structure statement (TSS). (Refer Synergy's separate submission on the TSS.) Synergy does not support the withdrawal of existing (AA4) time of use reference services without prior visibility on the following three matters in the proposed TSS:</p> <ul style="list-style-type: none"> • Inclusion of proposed prices • Annual forecast price changes • Price differentiation (i.e., clarity on pricing band multipliers). <p>Synergy and WP continue to engage on this matter.</p> | 6.4.1 |
| <p>C18 - Low Voltage Distribution Storage Service</p> <p>C19 - High Voltage Distribution Storage Service</p> <p>C20 – Transmission Storage Service</p> <p>C21 - Low Voltage Electric Vehicle Charging Service</p> <p>C22 - High Voltage Electric Vehicle Charging Service</p> |  | <p>Synergy's concerns relate to the "sole use" eligibility criteria and a lack of (peak) metered demand and contract maximum demand pricing structures applicable to low and high voltage connected storage and electric vehicle charging references services.</p> <p>Synergy and WP continue to engage on this matter.</p> <p>In addition, for the low voltage storage and electric vehicle charging services WP has not permitted the use of inverter systems rated up to a total of 3 MVA for single or three-phase connections.</p> | 6.5-6.9 |

| WP's existing & proposed reference services | Meets Synergy / customer needs | Rationale | Submission reference |
|---|---|--|----------------------|
| <p>B3 – Entry service facilitating a distributed generation or other non-network solution</p> <p>C15 – Bi-directional services facilitating a distributed generation or other non-network solution</p> |  | <p>There are substantial issues associated with Synergy's being able to utilise these services. Synergy has not been able to utilise these services in AA4 as contemplated under the ENAC sections 7.9 and 7.10.</p> | 6.10 |
| <p>D6 – Remote Load / Inverter Control Service</p> |  | <p>The proposed D6 reference service lacks adequate service definition in terms of what the reference service can be utilised.</p> <p>Synergy and WP continue to engage on this matter.</p> | 6.11 |
| <p>D1 - Supply Abolishment Service</p> <p>D6 - Remote Load / Inverter Control Service</p> <p>D8 - Remote De-energise Service</p> <p>D9 - Remote Re-energise Service</p> <p>D11 – Site Visit to Support Remote Re-energise Service</p> <p>D12 – Manual De-energise Service</p> <p>D13 – Manual Re-energise Service</p> |  | <p>Synergy's concern relates to the proposed service standards being inconsistent with the Code of Conduct. The proposed service does not provide user certainty in relation to service delivery timeframes.</p> | 6.12-6.13 |
| <p>Metering data reference services</p> |  | <p>The proposed changes to the metering reference service do not allow users to choose between 5 minute and 30 minute interval data services.</p> | 6.14 |

6. Reference Services that Synergy requests modification

6.1 WEM Rules and the provision of covered services

WP has proposed a broad obligation to comply with the wholesale electricity rules (**WEM**) in the eligibility criteria applicable to the following reference services:

- B1 - Distribution Entry Service
- B2 - Transmission Entry Service
- D2 - Capacity Allocation Swap (Nominator) (Business) Service.

The proposed drafting, outlined below,⁸ requires users to comply with all elements of the WEM Rules in relation to the following services:

B1, B2 references services

- The generator's facilities and equipment comply with the Technical Rules, the WEM Rules, the WA Electrical Requirements and AS/NZS 3000; and...

D2 reference service

- The provision of the service does not result in the user/s, WP, system management or the market operator being unable to comply with their obligations under the WEM Rules; and...

The above eligibility criteria relating to WEM Rule compliance affect a user's legal right to apply for and receive a reference service as it creates a requirement for users to demonstrate and substantiate to WP its compliance to all aspects of the WEM Rules notwithstanding an existing WEM Rule compliance regime exists and that regime will be substantially enhanced in October 2023. Therefore, it is not clear why WP has introduced such a broad criterion and whether WP is proposing to monitor a user's compliance to all aspects of the WEM Rules on behalf of the AEMO and the ERA.

In Synergy's experience the lack of clarity or specificity around such eligibility criterion results in unreasonable delays to user using a reference service. It is also un-reasonable and costly for users to establish duplicate processes to report its compliance to the WEM Rules to both WP, AEMO and ERA to use a reference service.

Therefore, Synergy considers the proposed eligibility criteria is inconsistent with ENAC requirements, is potentially unnecessary, creates duplication and regulatory uncertainty as the ENAC already regulates and specifies the aspects of the WEM Rules that apply to the provision and use of covered services, including the WEM Rule matters the ERA needs to have regard to in approving an access arrangement. Refer ENAC sections 2.4C, 2.8A, 4.35(b) and 5.38 that apply to the provision and use of covered services (entry services) that have the potential to affect, WEM Rules, generator performance standard and security constrained economic dispatch.

Further, the D2 Capacity Allocation service only applies to loads, specifically contract maximum demand (**CMD**) exit services and bi-directional services and not generation services and therefore would not be subject to the WEM Rules.

Given the application of the WEM Rules to the provision of covered services is already prescribed and regulated under the ENAC, Synergy considers the ERA should not approve these criteria.

⁸ Underlined for emphasis.

However, should the ERA consider it appropriate that a WEM Rules criterion needs to be defined, then Synergy recommends the criterion be limited in application as per below (changes in red):

Operation of the ~~The~~—generator’s facilities and equipment comply with the Technical Rules, sections 2.4C and 2.8A of the Code ~~the WEM Rules~~, the WA Electrical Requirements and AS/NZS 3000; and...

6.2 Reference service D2 - Capacity (swap) relocation

The ability for a user to easily share capacity between the connection points on its access contract will minimise the need for network augmentation, reduce the regulated asset base and support WP’s objectives in relation to decarbonisation. This approach will also minimise the amount of unutilised capacity on the network because users will be able to relocate unutilised capacity under its access contract easily to customers who need it.

WP’s proposed capacity swap service does not meet Synergy’s requirements and key elements of the F&A in accordance with ENAC section 5.2. The ERA in its F&A required WP to:

1. Combine the capacity swap reference services into a single service to simplify administrative arrangements and allow the application and use of the service to be addressed under a single electricity transfer application⁹.
2. Consult with relevant users to develop the eligibility criteria parameters for inclusion in its access arrangement proposal.¹⁰

The ERA also noted many of the difficulties associated with reference services could have been overcome if WP had engaged earlier with stakeholders to develop the arrangements and criteria for services.¹¹

Synergy has engaged with WP during 2020/21 and 2021/22 on the capacity relocation (sharing) service with a view to simplifying the administrative arrangements and developing eligibility criteria aligned with Synergy’s requirements in accordance with its current capacity aggregation and sharing non-reference services. Under those non-reference services:

1. Synergy is permitted to aggregate and share capacity between two or more connection points. These services were initially negotiated and developed based on the relocation arrangements under ENAC Appendix 3.
2. The applicable connection points have already been allocated contracted capacity (CMD).¹²
3. The services do not require a network modification or a connection application to conduct a study, feasibility assessment or pay a contribution to augment the network to create more spare capacity. That is, the service does not create or impose any new constraints on the network.
4. The services specify in advance the technical and commercial criteria¹³ to permit the aggregation and sharing of existing contracted capacity already allocated and paid for. Therefore, it only requires a single electricity transfer application.

⁹ F&A, page 24.

¹⁰ Refer to item 7 in Section 4.

¹¹ F&A, page 24.

¹² Synergy is not seeking a service in relation to *connection points* that do not have allocated contracted capacity (**uncontracted point**).

¹³ This would mean WP’s proposed item 6 of the eligibility criteria would not be necessary because the technical requirements would be specified in advance.

5. The commercial, charging and invoicing arrangements in relation to the service are specified, such that the network operator receives at least the same amount of revenue as it would have received if the contracted capacity was not aggregated and shared between the connection points.

Synergy was keen to establish with WP workable AA5 D2 reference service criteria as Synergy has to date been unable to utilise any of the AA4 capacity reference services because the existing eligibility requirements are unworkable.

To overcome these limitations in AA5, Synergy presented WP with its revised D2 reference service requirements (see Appendix B below). Synergy considered its revised reference service requirements to be reasonable as they were generally consistent with existing non-reference services¹⁴ Synergy has utilised since 1 July 2016 for capacity sharing purposes but with wider application. It is not appropriate for Synergy to use these non-reference services for future capacity sharing purposes due to:

- The limited supply circumstances in which the non-reference services apply
- The difficulty of negotiating non-reference services with WP in terms of cost and timeframe
- The absence of independent regulatory oversight by the ERA.

Notwithstanding Synergy's feedback, WP has not addressed Synergy's requirements.

Synergy is of the view that a more reasonable and workable D2 reference service will result in a more efficient use of the network potentially reducing the need for WP's significant CAPEX spend.

Synergy requires the provision of a capacity sharing reference service that is:

1. Aligned with its existing capacity aggregation and sharing non-reference services.
2. Aligned with the capacity relocation arrangements contemplated under ENAC Appendix 3.
3. Consistent with the ERA's F&A requirements for the service.

Synergy notes that, under ENAC section A3.23, the network operator may withhold consent to the relocation on reasonable commercial grounds. However, as outlined above, this issue has been addressed in the non-reference service by agreeing in advance the technical and commercial criteria for the provision of the service to ensure a smooth and simple administrative process. That is, the network operator may reject the user's electricity transfer application if the user does not meet the specified eligibility criteria. In addition, ENAC section A3.23 specifies that:

{An example of a matter that would be reasonable for the purposes of clause A3.23 is *service provider* specifying that, as a condition of its agreement to a *relocation*, the *service provider* must receive at least the same amount of revenue as it would have received before the *relocation*, or more revenue if *tariffs at the destination point* are higher.}

Synergy requested WP to provide the capacity sharing reference service based on the same conditions as Synergy's non-reference services with two additional requirements:

1. Remove the limitation that it must be the same customer at each of the connection points. Synergy considers this condition is unnecessary and limits the efficient use of the network considering the user still has liability under the ETAC for each of the connection points. Refer to the Code objective.

¹⁴ These services are based on the principles detailed in ENAC section A3.19 and A3.20.

2. Permit the service to be used for connection points on two different user ETACs subject to the users establishing the appropriate assignments (transfer of rights) in accordance with the ETAC. Noting that WP will be a party to the assignment and, acting consistent with ENAC section 5.8A, 2.1 and 2.7, should not unreasonably withhold or delay such an assignment.

There are a number of issues with the proposed D2 reference service that is contrary to Synergy's requirements and the F&A requirement for a simple administrative arrangement. These are:

1. Based on Synergy's engagement with WP, Synergy understands WP has chosen to treat all requests for capacity relocations as a potential network modification request under the AQP. Therefore, Synergy understands that at the time the applicant submits a transfer application for the service WP will request the applicant make a connection application so that WP can conduct pre-enquiry discussions, preliminary assessments and technical studies to determine that no augmentation is required and negotiate an "operating document". Note item 8 of the eligibility criteria then contemplates "no further augmentation" is required, once the "operating document" is executed and any augmentations have been completed in respect of the connection application submitted under item 1 above. Refer to item 8 and 9 of the eligibility criteria.
2. Before an applicant can submit a transfer application for the D2 service, the applicant must negotiate and agree an "operating document" to WP's satisfaction. This is a circular process and would require the applicant to first submit the connection application mentioned above because they would not be eligible to submit a transfer application for the service without first agreeing the "operating document". If the transfer application were to be submitted without the "operating document", WP would then reject the transfer application on the basis it does not comply with item 9 of the eligibility criteria. From a user's perspective, this is unreasonable and unworkable.
3. WP's definition of "intra day period"¹⁵ requires multiple transfer applications to be made for periods greater than twenty-four consecutive hours ending at midnight, Western Standard Time. This is unreasonable and unworkable because a transfer application would need to be made for each day (period greater than twenty-four consecutive hours) the user requires the capacity to be relocated.
4. Item 3 of the D2 eligibility criteria is redundant because the services described in the service descriptions are services based on CMD. However, Synergy notes that WP has proposed the following services would be subject to capacity allocation but is not providing them with a CMD tariff structure.¹⁶ However, Synergy has requested WP provide a CMD option for these services:
 - C18 Low voltage distribution storage – being offered by WP only as time of use
 - C19 High voltage distribution storage - being offered by WP only as metered demand
 - C21 Low voltage EV charging - being offered by WP only as metered demand
 - C22 High voltage EV charging - being offered by WP only as metered demand.
5. Item 5 of the eligibility criteria is redundant because a user legally, under the AQP¹⁷, cannot submit a transfer application and receive a covered service in respect of a connection point unless it has an access contract and the connection point is on its access contract or it has been assigned contractual rights to the connection point under its access contract.

¹⁵ Appendix E, Reference Services, Proposed revisions to the access arrangement 1 February 2022, page 2.

¹⁶ Contrary to Synergy's request for a CMD tariff structure option.

¹⁷ Note, where a person does not have an access contract, clause 4.1 of the AQP requires WP to present the access offer in such a form that it becomes the *access contract*.

6. Item 6 of the eligibility criteria would not be necessary because (like Synergy's non-reference services) the service would specify in advance the technical and commercial criteria to permit the aggregation and sharing of existing CMD already allocated and paid for by customers.
7. Item 10 of the eligibility criteria, as discussed above, requires broad compliance to all matters under the WEM Rules. This is contrary to the specific requirements of the ENAC sections 2.4C, 2.8A, 4.35(b) and 5.38, which relate specifically and only to security constrained economic dispatch for generators and entry services but not the exit and bi-directional distribution services being offered under this reference service.
8. Item 11(a) of the eligibility criteria is not necessary because Metering Code clause 1.7 and 7.6 already deals with regulatory requirements in relation to energy data disclosure and because the obligations are imposed on users under their access contract and service level agreements. Synergy's experience and concern is criterion that require prior agreement with WP typically results in material delays¹⁸ in relation to a user being permitted to use a reference service. In addition, the agreements developed by WP tend to impose obligations that go beyond the actual requirement for the agreement. Therefore, given use and disclosure of energy data is already regulated Synergy is concerned this criterion creates unintended consequences in relation to users being able to easily use this reference service.
9. Item 11(b) of the eligibility criteria is onerous and an unnecessary duplication, because the process for multiple users accessing a connection point is already addressed under clause 31 of the proposed standard ETAC and Part D of the AQP, noting WP will also be a party to these arrangements under these mechanisms and must not unreasonably withhold or delay providing its consent to these arrangements. Synergy has used the assignment provisions under its ETAC several times and considers the D2 eligibility criteria creates regulatory and contractual uncertainty.
10. The applicable service standard proposed by WP is not applicable to processing the D2 reference service application. ENAC sections A3.19 and A3.20 contemplates that the relocation of capacity would be permitted 10 business days after WP receives the user's application for this service.

The D2 eligibility criteria create an administrative, process and cost barrier to any applicant seeking to use this service. In addition, these requirements are not aligned with Synergy's request under the ENAC section 5.2. Based on experience, Synergy considers it unlikely that any applicant would be successful in applying for and using this service without resorting to an access dispute.

Synergy understands there may be more administratively complicated capacity sharing scenarios that will require concurrent connection and transfer applications, a feasibility study, and may also require the user to pay a contribution for some type of augmentation. However, this is not the service Synergy has sought and not what is required by the ERA's F&A for:

1. A simple administrative arrangement.
2. A single electricity transfer application.

Therefore, Synergy requests that the ERA should not approve the D2 reference service in its current form and replace it with Synergy's service requirements as specified in Appendix B below.

Synergy and WP continue to engage on this matter. WP recently proposed designing the service based on a tiered approach to assessing and approving the capacity to be relocated. Synergy and WP are continuing discussions on WP's suggested approach.

¹⁸ The delays are also usually created because WP have not developed the required internal processes and provided adequate training to its staff in relation to eligibility criteria that require an agreement to be established prior to the user applying to use the *reference service*.

6.3 Reference service A2/C2 - Anytime energy (business)

The F&A required WP to:¹⁹

- Address matters that have been raised in stakeholder submissions during the framework and approach consultation process
- Consult with relevant users to develop the eligibility criteria and charging parameters for inclusion in its access arrangement proposal
- Work with users to develop effective new services.

Synergy, in accordance with the ENAC section 5.2 and 2.8(c), requested reference services that addressed the challenges customers face associated with a site becoming vacant or when a customer experiences a temporary reduction in demand (e.g. during a period of care and maintenance or to adjust to an unforeseen event such as a commodity downturn or pandemic).²⁰

Synergy considers an appropriate way to address these common customer issues is to provide an opt-in tariff element for the reference service that permits (high voltage) customers with maximum demands that fall below 1000 kVA in unforeseen circumstances, to remain eligible for the applicable reference service tariff by booking a CMD level below the current eligible threshold.

An alternative approach would be to permit these (high voltage) customers to use the A2 and C2 reference services during periods of transitory demand reduction. It is important to note users nominating the A2 and C2 reference services will require their customers to surrender their CMD (which will subsequently be available as network spare capacity).

WP has proposed modifications to the A2 and C2 reference service description to address this issue. Synergy supports the changes to the reference service description to include high voltage connection points. However, WP's proposed eligibility criteria (below) with the 12-month dormancy pre-requisite still does not address the challenge outlined above and will limit affected customers from using this service:

“...it is a high voltage (6.6kV or higher) *connection point* with throughput equal to zero for a period of greater than 12 months; ...”

It is also unclear what meaning WP is giving to the term “throughput” and how it should be interpreted. Many customers experiencing these business challenges will have a substantial drop in consumption, but it will not be zero. Typically, there will be some small consumption necessary for care and maintenance of the customer's facility such as security systems and lighting.

To address the challenges outlined above and to meet customer needs, consistent with ENAC section 5.2 Synergy requires that the ERA amend the reference service criterion as follows (changes in red):

“...it is a high voltage (6.6kV or higher) *connection point* and WP determines, as a *reasonable and prudent person*, that the *user's forecast annual consumption will be no more than 1GWh*~~with throughput equal to zero for a period of greater than 12 months;~~ and...”

¹⁹ Refer to items 4, 7, 8 and 19 in Section 4.

²⁰ Synergy submission to the ERA's framework and approach issues paper, 26 May 2020.

6.4 Reference service A18/C16 - Super Off-peak (Residential) and A19/C17 – Super Off-peak (Business)

Synergy supports the proposed reference service description and eligibility criteria. However, WP has not met certain key F&A requirements the ERA has required in relation to this reference service.²¹ These are:

1. There are no proposed tariffs and there is insufficient information to determine if this service is efficient such that Synergy will be encouraged to use this service. Based on the discussions Synergy has had with WP, Synergy considers the existing time of use services will result in more efficient use of the network and be more efficient and attractive to customers to invest in or participate in DER.
2. There is insufficient information and a lack of clarity on how price differentiation will be addressed. Synergy's request to develop this service in accordance with Synergy's required multipliers²² has not been accepted by WP (although discussions are still on-going). Synergy does not support discontinuing existing time of use services (refer section 6.4.1 to this submission as to the reasons why) until it has reference service price certainty. Synergy considers the proposal to discontinue existing time of use services is inconsistent with Synergy's request under the ENAC section 5.2.

6.4.1 Proposal to discontinue AA4 time of use reference services

The ERA in its final F&A decision,²³ states:

“The tariff structure statement will also need to address how existing time of use periods will be transitioned to the revised time of use periods.”

WP in its tariff structure statement overview dated 1 February 2022,²⁴ states:

“We will continue providing customers with our existing time of use reference services, with their existing charging windows, if:

- The services were provided at the relevant connection points at the date the AA5 period takes effect
- Those services continue from the AA5 period effective date.

From year two of the AA5 period, the current (or transitional) time of use services will be closed for new customer nominations²⁵. Existing customers on these existing time of use services will transition over time to the new time of use services and tariffs (as discussed above) as users transition to alternative reference services.”

The (exit and bi-directional) reference services that WP has proposed be closed to new customer nominations from 1 July 2023 are:

- A12/C9 3 Part Time of Use Energy (Residential) Exit Service
- A13/C10 3 Part Time of Use Energy (Business) Exit Service
- A14/C11 3 Part Time of Use Demand (Residential) Exit Service
- A15/C12 3 Part Time of Use Demand (Business) Exit Service
- A16/C13 Multi Part Time of Use Energy (Residential) Exit Service
- A17/C14 Multi Part Time of Use Energy (Business) Exit Service.

²¹ Refer to items 4, 6, 7 and 8 in in Section 4.

²² Synergy submission to the ERA's framework and approach issues paper, 26 May 2020.

²³ F&A page 18.

²⁴ <https://www.erawa.com.au/cproot/22427/2/Appendix-F.1---Tariff-Structure-Statement---Overview-1-February-2022-.pdf>, page 15

²⁵ That is, WP will not approve a transfer application by the user to use these services at a different connection point.

In its submission to the ERA on 26 May 2021, Synergy advised:

“...Synergy’s proposed pricing multipliers and tariff component prices it seeks in order to utilise the service are detailed below...

Synergy considers the existing tariff pricing has restricted service uptake given the 5-part time of use service only has three pricing bands. Synergy considers the proposed changes will reflect a time-of-use structure that will help to recognise the longer-term impact of rooftop solar by making the service more cost reflective. This reference service would allow Synergy to develop products and services to manage network issues related to low and high demand by incentivising customers to change behaviour. Synergy anticipates moving a significant proportion of AMI enabled customers onto this reference service provided the tariff’s pricing levels are efficient²⁶...”

Prior to WP’s tariff structure statement lodgement with the ERA, Synergy requested WP to include, among other tariffs, the proposed pricing applicable to the A18, A19, C16 and C17 (**super off-peak**) reference services within its tariff structure statement.

The ERA, in its F&A, required WP to:²⁷

1. Address matters raised in stakeholder submissions during the framework and approach
2. Consult with its users to finalise pricing prior to submitting its proposal to the ERA
3. Evidence its proposed tariffs are cost reflective
4. Address price differentiation in its tariff structure statement.

Although WP consulted Synergy in relation to its proposed tariff structure statement, Synergy’s super off peak reference service requirements were not addressed in terms of:

- Inclusion of proposed prices
- Annual forecast price changes
- Price differentiation (i.e., lack of pricing band multipliers).

Without prior visibility on the above three matters, Synergy does not support the withdrawal of existing (AA4) time of use reference services on the basis the super off-peak reference service proposed by WP in its Appendix E do not meet Synergy’s requirements in accordance with ENAC section 5.2.

Consequently, in accordance with ENAC section 5.2, Synergy requests that the ERA should not approve WP’s proposal to withdraw existing time of use services (detailed in section 6.4 in this submission) in relation to new connection.

The above matter is still being progressed between Synergy and WP.

²⁶ Underlined for emphasis.

²⁷ Refer to items 3, 4 and 6 in Section 4.

6.5 Reference service C18 - Low voltage distribution storage

The F&A placed requirements on WP in relation to this reference service.²⁸

WP consulted with Synergy on the development of the C18 reference service. Synergy articulated the following concerns to WP but these have yet to be addressed.

- Synergy understands from WP that the proposed reference service is similar to the other bi-directional services being offered in AA5, and the other bi-directional services do not exclude the installation and operation of DER assets. In other words, a user could select either a generic bi-directional reference service or a specific storage bi-directional reference service. Synergy queried with WP whether the point of differentiation between the “generic” bi-directional reference services and the proposed storage services related to pricing. This was Synergy’s expectation given the F&A requirement to promote incentives to efficiently invest in, operate and use DER services. Consequently, Synergy seeks an ERA position on the matter.
- Eligibility criteria 2 and 6 do not address Synergy’s requirement for the service to support an inverter system rated up to a total of 3 MVA for single or three-phase connections.
- Eligibility criteria 4 and the use of the term “sole purpose” is problematic as it is not aligned with Synergy’s requirements for the facilities using this service to support ancillary loads such as security lighting (and in the case of EV charging stations - refreshment facilities). WP’s sole purpose test means users (and hence customers) would need to pay for another connection point to supply their ancillary loads. For example, in the case of battery installation the user would need a bi-directional connection point for operating the battery and an additional exit point for the security lighting at the battery site. Such an outcome would not be in the long-term interest of consumers, nor would it result in an efficient use of the network, and it would be inconsistent with the requirements contemplated under the ENAC sections 2.7(a), 5.2(c) and (d).

Synergy proposed to WP that the reference service eligibility criteria be modified as follows:

- the connection point is to be used for the purpose of energy storage including any other purpose ancillary to energy storage
- in the case of an EV service, the connection point is to be used for the purpose of charging electric vehicles including any another purpose ancillary to the charging of electric vehicles.

WP’s proposed C18 reference service currently does not include the points above. Consequently, Synergy considered requesting that the ERA should not approve the reference service as proposed but require it to be amended as per Synergy’s requirements consistent with ENAC section 5.2. In addition to meeting Synergy’s requirements, the amendments will incentivise customers to efficiently invest in, operate and use DER services such as EV and battery. However, Synergy and WP have had subsequent discussions on this issue and have agreed in principle the amendments to this criterion detailed in Appendix E to address this issue.

- Synergy requested WP provide storage (including SPS) and electric vehicle charging reference services with the option users not to pay the transmission component of the reference tariff if it can be demonstrated that users and customers are not using the transmission network. Synergy understands, based on its engagement with WP, that WP considers the ENAC permits a certain level of transmission costs not related to the provision of distribution reference services to be allocated to distribution reference tariffs. However, Synergy considers the amount of revenue the new ENAC Chapter 7 provisions allow WP to use to ‘rebalance’ reference tariffs is very limited by comparison with WP’s discretion in previous access arrangements²⁹.

²⁸ Refer to items 3, 4, 7, 8 and 11 in in Section 4.

²⁹ Refer to sections 6.1 and 6.2 of Synergy’s submission on the proposed Tariff Structure Statement.

- Synergy requested, in accordance with ENAC section 5.2, that WP provide this service with a time of use, metered demand and CMD tariff structure. Currently, WP has not agreed to Synergy’s request and only offered a (super off-peak) time of use tariff structure for this service. However, given WP has already proposed (super off-peak C16 and C17) bi-directional services, Synergy requests, in accordance with the ENAC section 5.2, the ERA to ensure Synergy is provided this service with the following two tariff structures:

1. (Peak) metered demand – based on the maximum half-hour demand for a customer, measured between the 3pm – 9pm each day, and applied over a rolling 12-month period
2. CMD.

Synergy and WP have continued to discuss tariff structures for electric storage services. Synergy understands that WP agrees in principle with Synergy’s proposed tariff structures for storage services.

6.6 Reference service C21- Low voltage electric vehicle charging

Synergy’s comments in relation to the C18 service applies to this service. Synergy and WP have continued to discuss tariff structures for electric vehicle charging services. Synergy understands WP is still considering the requirements of other users and customers and proposes to continue discussions with Synergy once they have gathered more information from other users and customers.

6.7 Reference service C19- High voltage distribution storage

The F&A required WP to comply with specified requirements in relation to this reference service.³⁰

WP consulted with Synergy on the development of the C19 reference service. However, the proposed service does not reflect Synergy’s reference service requirements in accordance with the ENAC section 5.2 as follows:

- Use of the term “sole purpose” in the eligibility criteria - Synergy’s comment in relation to the C18 service applies to this service. However, Synergy and WP have had subsequent discussions on this issue and have agreed in principle the amendments to this criterion detailed in Appendix E.
- Synergy requested, in accordance with ENAC section 5.2, that WP provide this service with a time of use, metered demand and CMD tariff structure to customers. Currently, WP has not agreed to Synergy’s request and only offered a (non-peak) metered demand tariff structure for this service. However, given WP has already proposed (the high voltage C5 and C7) bi-directional services Synergy, in accordance with the ENAC section 5.2, requests the ERA to provide Synergy this service with the following two tariff structures:
 1. (Peak) metered demand – based on the maximum half-hour demand for a customer, measured between the 3pm – 9pm each day, and applied over a rolling 12-month period
 2. CMD.

Synergy and WP have continued to discuss tariff structures for storage services. Synergy understands that WP agrees in principle with Synergy’s proposed tariff structures for storage services.

6.8 Reference service C22- High voltage electric vehicle charging

Synergy’s comments in relation to the C19 service applies to this service. Synergy and WP have continued to discuss tariff structures for electric vehicle charging services. Synergy understands WP is still considering the requirements of other users and customers and proposes to continue discussions with Synergy once they have gathered more information from other users and customers.

³⁰ Refer to items 3, 4, 7, 8 and 11 in in Section 4.

6.9 Reference service C20- Transmission storage

The F&A required WP to comply with specified requirements in relation to this reference service.³¹

WP consulted with Synergy on the development of the C20 reference service. However, the proposed service currently does not include the following Synergy key requirements in accordance with the ENAC section 5.2 as follows:

- Use of the term “sole purpose” in the eligibility criteria. (Synergy’s comments in relation to the C18 reference service also applies to this service). However, Synergy and WP have had subsequent discussions on this issue and have agreed in principle the amendments to this criterion detailed in Appendix E
- A time of use, metered demand and CMD tariff structure. Currently WP has not agreed to Synergy’s request and only offered a CMD tariff structure for this service. However, given there is currently no transmission bi-directional service in AA4, Synergy, in accordance with the ENAC section 5.2, requests the ERA to provide Synergy this service with the following two tariff structures:

1. (Peak) metered demand – based on the maximum half-hour demand for a customer, measured between the 3pm – 9pm each day, and applied over a rolling 12-month period
2. CMD.

Synergy and WP have continued to discuss tariff structures for storage services. Synergy understands that WP agrees in principle with Synergy’s proposed tariff structures for storage services.

- WP in its tariff structure statement clarified the C20 reference service will not be subject to generation or export-based charges and will be treated like existing loads connected to the transmission network. However, the tariff structure statement does not make it clear whether penalties for exceeding CMD will apply and if so, how they will be calculated. Synergy requests the ERA require WP to clarify the matter in a revised tariff structure statement prior to publication of the ERA’s AA5 draft decision, to enable users and customers to determine what the charges may apply to use the service.

6.10 Reference service B3/C15 - Services facilitating a distributed generation or other non-network solution

The discounts contemplated under ENAC sections 7.9 and 7.10 are designed to incentivise users to implement initiatives;

- To promote the economically efficient investment in and operation of the covered network
- Reduce WP’s capital-related costs or non-capital costs.

Therefore, the provision of effective reference services, under ENAC section 7.9 and 7.10, will minimise the need for network augmentation, reduce the regulated asset base and support WP’s objectives in relation to decarbonisation.

The F&A also required WP to comply with specified requirements in relation to these reference services.³²

³¹ Refer to items 3, 4, 7, 8 and 11 in Section 4.

³² Refer to items 3, 4, 7, 8 and 11 in Section 4.

Synergy since AA4 has not been able to receive the services contemplated under the ENAC sections 7.9 and 7.10 (prudent discounts). Further Synergy is not aware of any user being able to obtain a prudent discount from WP. Consequently, in AA4, Synergy sought regulatory certainty and requested WP provide reference services in respect of ENAC sections 7.9 to 7.11.

There continue to be substantial issues associated with WP properly defining and providing these services to users. These issues can be categorised as follows:

- The proper definition of the service in accordance with user requirements
- Compliance with the ENAC requirements
- WP legal interpretation of the requirements under ENAC 7.9 and 7.10 differs to that of Synergy. WP considers the requirements under ENAC 7.9 and 7.10 relate to the provision of Alternative Options or a non-reference service
- Meaningful service standards
- Lack of strong obligations and time frames that require the network operator to process a user's application for this service expeditiously and diligently. (Currently there is no firm obligation or timeframes in the AQP to respond to a user's application for the service³³.)

Synergy has engaged WP on these matters however, WP has not agreed to Synergy's requests Synergy has detailed these matters below and requests that the ERA should not approve the access arrangement unless Synergy's recommendations for each of the problem areas outlined below have been addressed:

1. **Service description** - Since AA4, Synergy has sought reference services that delivered the benefits and services contemplated under the ENAC sections 7.9 and 7.10. It is important to note that sections 7.9 and 7.10 are consistent with the Code objective of promoting efficient investment and efficient operation and use of reference services. In addition, these ENAC provisions are also intended to support DER investment - this is the reason why ENAC section 7.9 was amended in September 2020 to require the service provider to provide a prudent discount.

WP has proposed two reference services (B3 and C15). The proposed services restrict the provision of the discount to entry and bi-directional points (or services). This is inconsistent with the ENAC because section 7.9 does not restrict users to only receive a discount in respect of entry or bi-directional points.

The proposed services also do not meet Synergy's requests under the ENAC section 5.2. To address this issue, Synergy sought WP to amend the service description to be consistent with the ENAC. WP has not agreed to Synergy's request. In addition, Synergy considers that the service it requires can be delivered under a single reference service. Consequently, in accordance with the ENAC section 5.2, Synergy requests the ERA to ensure Synergy is provided the service specified in Appendix C below.

2. **Provision of detailed policies** - Synergy considers the information provided by WP in clauses 6.6 and 6.7³⁴ of the proposed access arrangement are not the requirements and detailed policy as required under ENAC sections 7.9 to 7.11. Synergy considers the approach and conditions proposed under clause 6.6 is inconsistent with ENAC section 7.9. Synergy requests the ERA to determine if the information provided under clauses 6.6 and 6.7 is consistent with the requirements under sections 7.9 to 7.11.

³³ Underlined for emphasis.

³⁴ Proposed revisions to the Access Arrangement for the WP Network, page 50.

ENAC section 7.11 requires that the access arrangement contain a detailed policy on how prudent and distributed generation discounts will be implemented. Despite this, no detailed or practical policy has been provided in the access arrangement to implement and deliver these requirements. Synergy notes the requirement for the detailed policy is mandatory for the distributed generation discount. However, WP may choose not to provide a prudent discount policy. In contrast, Horizon Power has published a detailed policy on its prudent discount service.³⁵ Therefore, Synergy recommends the ERA:

- Should not approve the proposed access arrangement unless it contains the detailed policy required under section 7.11
- Should encourage WP to provide a detailed policy in relation to prudent discount services, similar to what has been published by Horizon Power.

3. **Defining a compliant approach** – WP’s proposed prudent policy³⁶ is outlined below:

1306. Our policy is that a prudent discount may be offered to a user or applicant seeking access to the Western Power Network where they can demonstrate that an alternative option will provide a comparable service at a lower price than that offered by reference services and reference tariffs.

1307. Where a user can demonstrate with sufficient detail²¹⁹ that an alternative option will provide a comparable service at a lower price, we may offer a discounted price that is equal to the higher of the:

- cost of the alternative option
- incremental cost of service provision.

Synergy considers this approach is inconsistent with the approach required and described under the ENAC section 7.9. Synergy recommends the ERA review WP’s proposal under clause 12.6 and 12.7 of the access arrangement information³⁷ and determine whether it is consistent with the ENAC including the Code objective.

Synergy has made two applications in relation this reference services (in June 2021 and December 2021). However, these applications have not been progressed by WP. Instead, WP proposed that Synergy:

1. Withdraw its application and consider a non-reference service offered by WP
2. Consider providing services to WP under the ENAC’s Alternative Option mechanism.

Synergy considers these options are not what is contemplated or required by the ENAC and based on proposed AA5 reference service eligibility users will never be able to utilise the services contemplated under the ENAC 7.9 to 7.11 in AA5 unless there is regulatory certainty and detail in relation to these services. Therefore, Synergy recommends the ERA clarify what WP is legally required to provide in the access arrangement in relation to:

- Reference services
- Discount policies, including the approach and methods permitted in these policies that are consistent with the ENAC.

4. **Meaningful service standards and AQP process** - Once the requirements of the reference service and discount policies have been determined, it is important to ensure:

- The service provides a relevant and meaningful service standard for the calculation of the reductions in either or both of the network operator’s capital-related costs or non-capital costs and the provision of the discount to the user. WP has not proposed a clear and specific service standard for these reference services and appears to be proposing that the service

³⁵ [prudent-discount-policy.pdf \(nwis.com.au\)](#)

³⁶ Access Arrangement Information, Access Arrangement revisions for the fifth access arrangement period 1 February 2022, page 280.

³⁷ Ibid.

standards be based on one or more network reliability benchmarks. Synergy considers this approach is not reasonable and has proposed a service standard of 20 business days³⁸ to calculate the reduction in costs and provide the discount. Synergy recommends that the ERA should not approve this service unless it contains a simple, meaningful, measurable and enforceable service standard.

- The AQP is required to contain a clear process, consistent with ENAC section 5.7, for users to apply for and receive this service. The current ambiguity in the AQP process creates unintended practices and outcomes that Synergy has outlined immediately above. Synergy considers the current process in the AQP for this service is inconsistent with the ENAC section 5.7. For example, the current processes and practices implemented:
 - Does not accommodate the interest of users and applicants
 - Is not sufficiently detailed to enable users and applicants to understand in advance how this service will be implemented and delivered in the AQP
 - Do not set out any reasonable or meaningful timeline or service standards for progressing and finalising a user’s application and does not incentivise the network operator to adhere to any timelines
 - Does not provide a user or applicant with any relevant commercial or technical information to enable a user or applicant to apply for and engage with the network operator in relation to calculating the reduction in costs.

Therefore, Synergy recommends the ERA not approving this service and the AQP in the absence of a process, consistent with the ENAC section 5.7, that addresses the above matters.

6.11 Reference service D6 - Remote load/inverter control

The F&A required WP to comply with specified requirements in relation to this reference service.³⁹

In addition, the F&A⁴⁰ required WP to:

Combine the remote direct load control and load limitation services and expand the service to include control of an inverter via the meter. Update the eligibility criteria to address three-phase connections and clarify the requirements to obtain the service. These changes will enable the service to be used and provide the ability for users to manage their customers’ demand.

WP has not explained to users how the AA4 D6 reference service is to be utilised in relation to WP’s infrastructure capability. This situation is continued in AA5. A reference service by nature is to provide users with certainty as to the service to be provided, under what circumstances it will be provided, to what standard and at what cost.

The proposed D6 reference services as drafted has shortcomings. These are:

- It is not clear what an “activated device” is and whether this requires additional equipment to be purchased and be installed by a user or customer and whether such installation is subject to an AQP connection application and approval
- It is not clear what is meant by “supply voltage” and who has the legal responsibility of determining it is present at the “activated device” and what standards or specification should this determination be subject to

³⁸ Refer to Synergy proposed service in Appendix D.

³⁹ Refer to items 4, 7 and 8 in Section 4.

⁴⁰ Page 19 and 24.

- It is not clear what communication equipment WP requires the user or customer to purchase and install such that there is two-way communication between an “activated device” and WP’s management systems, including whether the installation of the customer’s communication equipment is subject to AQP connection application and approval
- WP has not explained what its management system does and what covered services this system offers or can offer users. It is also not clear who is responsible for ensuring “...Western Power’s management systems has been installed and is operating and able to be used to support remote services...”. Synergy considers this is not a reasonable condition to place on users
- WP has also required that a user (who has an access contract) needs contractual authority from, presumably WP, to control the transfer of electricity at a connection point on the user’s access contract. Synergy does not understand this provision noting that rights, charges and liabilities in relation to use of covered services at the connection point have already been provided to the user under the access contract
- The service standard does not appear to be meaningful to the provision of this service and appears to refer to network reliability standards. Synergy considers the service standard should be based on the timeframe for providing the requested service.

Based on the above Synergy considers WP has not met the F&A requirements applicable to this service notwithstanding Synergy has provided its service requirements to WP (as detailed in Appendix D) consistent with ENAC section 5.2.

Synergy and WP have continued to discuss the various use cases for this service including direct load control of electric vehicle charging facilities. Synergy understands WP is still considering the requirements of other users and customers and proposes to continue discussions with Synergy once they have gathered more information from other users and customers.

6.12 Reference services D8/D9/D11 - Remote de-energise and re-energise services

The F&A required WP to comply with specified requirements in relation to these reference services.⁴¹

WP has worked with Synergy in relation to developing these services and Synergy supports these proposed services.

However, Synergy has concerns in relation to the definition of the service standards including whether the (average) approach taken is meaningful, measurable and consistent with the Code of Conduct. Synergy discusses this concern further in section 6.13 of this submission.

6.13 Determining service standards for ancillary services

WP has proposed several reference services where the service standards are based on:

- An averaged number of business days, calculated over a 12 month
- Data that is used for the calculation is not available or transparent to users and the ERA at the time the service is being provided.

Under the averaged business day approach, WP considers it does not need to comply with the average number of business days when fulfilling an individual service request.

⁴¹ Refer to items 4 and 8 in Section 4.

This averaged business day approach to setting service standards is being applied to the following services that affect the supply of electricity to customers, including customers under the Code of Conduct:

- D1 - Supply Abolishment Service
- D6 - Remote Load / Inverter Control Service
- D8 - Remote De-energise Service
- D9 - Remote Re-energise Service
- D11 - Site Visit to Support Remote Re-energise Service
- D12 - Manual De-energise Service
- D13 - Manual Re-energise Service.

Synergy considers this averaged business day approach to setting service standards is inconsistent with the ENAC section 5.6 because the standard being proposed is not:

- Reasonable, meaningful and measurable in relation to communicating to customers when the service will actually be delivered. In addition, referring customers to WP's calculation methodology in the access arrangement is a poor customer experience. Synergy does not fully understand the methodology and it would be unreasonable to expect customers to do so
- Simple or sufficiently complete for users and customers to determine the value represented by the reference service
- Consistent with specific time frames under the Code of Conduct.

The WP service standard mechanism does not require WP to comply with the average number of business days. Instead, WP self-determines whether the average service performance for all service requests in a 12-month period meets the specified averaged number of business days. There is no obligation to disclose this information and there is no consequence for not providing a consistent level of service standard to customers. Therefore, this service standard mechanism proposed by WP, by its nature, cannot be transparent, measurable or enforceable and is not based on good electricity industry practice.⁴² The averaged business days approach also does not permit the user and customers to be compensated for sub-par levels of service.

Synergy has received complaints in relation to WP's actual supply abolishment service delivery timeframes and has raised the issue with WP. However, WP's position is notwithstanding when the service is actually delivered to the customer, WP meets the notional service standards in the access arrangement, based on how the services standards are calculated and determined by WP.

To avoid customer complaints being raised in relation to remote re-energisation services, Synergy recommends the ERA not approving the proposed access arrangement unless the proposed service standards are specific and consistent with the ENAC section 5.6 and can be used by users and customers to measure and hold WP accountable for actual service delivery in relation to each request.

6.14 Metering data reference services

The F&A required⁴³ WP to review its metering service descriptions and eligibility criteria in its access arrangement proposal to ensure metering services reflect any updated requirements since AA4. WP has proposed amendments to the metering reference services to address recent Metering Code amendments (August 2021). The Metering Code now⁴⁴ defines interval data into two distinct categories - either 30-minute or 5-minute interval energy data service:

⁴² For these types of services.

⁴³ Refer to item 12 in Section 4.

⁴⁴ Following the August 2021 amendments.

“interval energy data” means *30-minute interval energy data or, for a 5MS meter on and from five-minute settlement commencement, five-minute interval energy data.*

However, the proposed changes to the metering reference service do not allow users to choose what type of interval data service they require. Therefore, Synergy requests, in accordance with the ENAC section 2.7 and 5.2, the metering interval data reference services allow users to elect the type of service to be provided in respect of the connection point. Synergy also considers this request is consistent with the Metering Code sections 3.9(3A) and 5.1(1).

Appendix A - Applicable ENAC requirements

The ENAC defines reference services as:

“**reference service**” means a *covered service* provided to a *user* and designated as a *reference service* in an *access arrangement* under section 5.1(a) for which there is a *reference tariff*, a *standard access contract* and *service standard benchmarks*.

2.1 The objective of this Code (“**Code objective**”) is to promote efficient investment in, and efficient operation and use of, *services of networks* in Western Australia for the long-term interests of *consumers* in relation to:

- (a) price, quality, safety, reliability and security of supply of electricity;
- (b) the safety, reliability and security of *covered networks*; and
- (c) the environmental consequences of energy supply and consumption, including reducing greenhouse gas emissions, considering land use and biodiversity impacts, and encouraging energy efficiency and demand management.

2.4C The *service provider* for the *Western Power Network* may not enter into an *access contract* which does not permit a *user’s* export of electricity into the *Western Power Network* to be interrupted or curtailed in either of the following circumstances:

- (a) in circumstances where *constraints* are created by other *users* of the *Western Power Network* (including *users* that connected to the *Western Power Network* after the date of the relevant *access contract*); or
- (b) in connection with the operation of security constrained economic dispatch, provided that this section 2.4C does not affect any agreements entered into by the *service provider* prior to the date of the 2020 (No. 2) amendments.

{Note: The 2020 (No. 2) amendments came into effect on 18 September 2020.}152

2.4D Nothing in section 2.4C prevents the inclusion of other interruption or curtailment rights in an *access contract* or the *standard access contract* including, without limitation, rights to curtail or interrupt for *force majeure*, maintenance, in emergencies, or as required by law.

2.7 Subject to section 2.4C, a service provider for a covered network must use all reasonable endeavours to accommodate an applicant’s:

- (a) requirement to obtain *covered services*; and
- (b) requirements in connection with the negotiation of an *access contract*.

2.8 Without limiting section 2.7, a *service provider* must:

- (a) comply with the *access arrangement* for its *covered network* and must expeditiously and diligently process *access applications*; and
- (b) negotiate in good faith with an *applicant* regarding the terms for an *access contract*; and
- (c) to the extent reasonably practicable in accordance with *good electricity industry practice*, permit an *applicant* to acquire a *covered service* containing only those elements of the *covered service* which the *applicant* wishes to acquire; and
- (d) to the extent reasonably practicable, specify a separate *tariff* for an element of a *covered service* if requested by an *applicant*, which *tariff* must be determined in accordance with sections 10.23 and 10.24; and
- (e) when forming a view as to whether all or part of any proposed *new facilities investment* meets the test in section 6.51A, form that view as a *reasonable and prudent person*.

- 2.8A** Nothing in section 2.7 affects the fact *registered generator performance standards* for a *transmission connected generating system* will be determined in accordance with the *WEM Rules* including that the *service provider's* obligation to accept *proposed generator performance standards* is determined in accordance with the provisions of the *WEM Rules* and not the procedures in this Code.
- 4.34** Subject to section 4.35, the *Authority* must not approve a *proposed access arrangement* which would, if approved, have the effect of depriving a person of a contractual right that existed prior to the earlier of the *submission deadline* for the *proposed access arrangement* and the date on which the *proposed access arrangement* was submitted.
- 4.35** Section 4.34 does not apply to protect:
- (a) an exclusivity right which arose on or after 30 March 1995; or
 - (b) contractual rights that arose before the date of the *2020 (No. 2) amendments* and that are inconsistent with provisions of a *proposed access arrangement* that have been implemented to reflect the introduction or operation of security constrained economic dispatch in the *Wholesale Electricity Market*.
- 4.A1** The *Authority* must make and *publish* a document ("**framework and approach**") that is consistent with the *Code objective*, and applies to the *service provider* in respect of a *proposed access arrangement* for a matter listed in section 4.A2 in accordance with this section.
- 4.A2** The *framework and approach* must set out the *Authority's* decision (including its *reasons* for the decision) for the purposes of the next *access arrangement review*, on the following matters:
- (a) the *investment adjustment mechanism* that will apply to the *service provider*; and
 - (b) the *gain sharing mechanism* that will apply to the *service provider*; and
 - (c) the *service standards adjustment mechanism* that will apply to the *service provider*; and
 - (d) the *demand management innovation allowance mechanism* that will apply to the *service provider*; and
 - (e) the form of *price control*, having regard to the objectives in section 6.4; and
 - (f) a list of and classification of *services* including whether *services* are *reference services* or *non reference services*, the eligibility criteria for each *reference service*, the structure and *charging parameters* for each *distribution reference tariff* and a description of the approach to setting each *distribution reference tariff* in accordance with sections 7.2 to 7.12; and
 - (g) the method for setting the *service standard benchmarks* for each *reference service*
- 4.A11** Any *proposed access arrangement* or *proposed revisions* submitted by a *service provider* to the *Authority* must be consistent with the *framework and approach* that applies to it. The *service provider* may propose departures from the *framework and approach* if there has been a material change in circumstances in which case it must provide reasons for the departure.
- 4.A12** The *Authority* must not approve a *proposed access arrangement* or *proposed revisions* that departs from the *framework and approach* unless there has been a material change in circumstances, in which case it must provide *reasons* for the departure.²⁰⁸
- 5.2** An *access arrangement* must:
- (a) specify at least one *reference service*; and
 - (b) specify a *reference service* for each *covered service* that is likely to be sought by (or the benefit of which is likely to be sought by) either or both of:

- (i) a significant number of *customers* and *applicants*; or
- (ii) a substantial proportion of the market for *services* in the *covered network*; and
- (c) to the extent reasonably practicable, specify reference services in such a manner that a user or applicant is able to acquire by way of one or more reference services only those elements of a covered service that the user or applicant wishes to acquire; and
- (d) for the Western Power Network — specify one or more *reference services* such that there is both:
 - (i) a *reference service* which enables a *user* or *applicant* to acquire an *entry service* at a *connection point* without a need to acquire a corresponding *exit service* at another *connection point*; and
 - (ii) a *reference service* which enables a *user* or *applicant* to acquire an *exit service* at a *connection point* without a need to acquire a corresponding *entry service* at another *connection point*.

5.2A In determining whether an *access arrangement* complies with section 5.2(b), the *Authority* must have regard to any information provided by a person pursuant to section 4.A14.

5.6 A *service standard benchmark* for a *reference service* must be:

- (a) reasonable; and
- (b) sufficiently detailed and complete to enable a user or applicant to determine the value represented by the reference service at the reference tariff.

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:...

5.38 Notwithstanding sections 5.5(b), 5.11(b) and 5.17(b), when determining whether the *standard access contract*, *applications and queuing policy* or *contributions policy* (as applicable) included in an *access arrangement* is consistent with the *Code objective* and sections 5.3, 5.7 to 5.9, or 5.12 to 5.15 (as applicable), the *Authority* must not have regard to any provisions of the *model standard access contract*, *model applications and queuing policy* or *model contributions policy* (as applicable) that are inconsistent with section 2.4C or otherwise inconsistent with the operation of security constrained economic dispatch in the *Wholesale Electricity Market*.

7.9 If a *user* seeks to implement initiatives to promote the economically efficient investment in and operation of the *covered network*, a *service provider* must reflect in the *user's tariff*, by way of

a discount, a share of any reductions in either or both of the *service provider's capital-related costs* or *non-capital costs* which arise in relation to the initiative by:

- (a) by entering into an agreement with a *user* to apply a discount to the *tariff* to be paid by the *user* for a *covered service*; and
- (b) then, recovering the amount of the discount from other *users* of *reference services* through *reference tariffs*.

7.10 If a *user* seeks to *connect distributed generating plant* to a *covered network*, a *service provider* must reflect in the *user's tariff*, by way of a discount, a share of any reductions in either or both of the *service provider's capital-related costs* or *non-capital costs* which arise as a result of the *entry point* for *distributed generating plant* being located in a particular part of the *covered network* by:

- (a) entering into an agreement with a *user* to apply a discount to the equivalent tariff to be paid by the *user* for a covered service; and
- (b) then, recovering the amount of the discount from other *users* of reference services through reference tariffs.

7.11 An *access arrangement* must contain a detailed policy setting out how the *service provider* will implement:

- (a) if the *service provider* so chooses - section 7.9; and
- (b) section 7.10, including a detailed mechanism for determining when a *user* will be entitled to receive a discount and for calculating the discount to which the *user* will be entitled.

Appendix B - Synergy’s required D2 capacity relocation reference service

| Reference Service Name: | Reference Service D* - Capacity (swap) Relocation Service |
|--------------------------------|---|
| Reference Service Description: | <p>A service ancillary⁴⁵ to:</p> <ul style="list-style-type: none"> • exit services A7 and A8; and • bi-directional services C7, C8, C19, C20 and C22 <p>where the User is permitted to relocate contracted capacity between two or more nominated connection points in accordance with the eligibility criteria - providing the aggregated contracted capacity for the connection points does not exceed the sum of the total contracted capacity for the nominated connection points.</p> <p>This service may be used for multiple connection points, on the low voltage (415 volts or less) or high voltage (6.6kV or higher) Distribution System.</p> <p>This service may be used for connections points under the User’s own access contracts and/or connection points under another User’s access contract.</p> <p>The Charges that apply will be based on the aggregated contracted capacity and calculated as if the User had a single connection point.</p> |

⁴⁵ Note: The service requested do relate to generation or entry service and do not affect the operate security constrained economic dispatch under the WEM Rules.

| Reference Service Name: | Reference Service D* - Capacity (swap) Relocation Service |
|-------------------------|---|
| Eligibility Criteria: | <p>The User is eligible to use this Service if:</p> <p>CBD Capacity Relocation Criteria</p> <p>1) Users, with multiple Connection Points supplied from the same Substation or supplied from contiguous Substations⁴⁶; or</p> <p>Non-CBD Capacity Relocation Criteria - same or different Feeder</p> <p>2) Users, with multiple Connection Points connected to the same Substation or connected to contiguous Substations and under normal operating conditions the Connection Points are energised from the same or different Feeder⁴⁷; or</p> <p>3) Where the User has nominated a CMD at each connection point, the nominated CMD at each Connection Point is greater than 1,000 kVA; and</p> <p>4) The Consumer’s Facilities and Equipment comply with the Technical Rules, the WA Electrical Requirements and AS/NZS 3000; and</p> <p>5) Each of the following does not apply under an agreement with Western Power:</p> <ul style="list-style-type: none"> a. The tariff that determines the charge is different to the Applicable Reference Tariff for this service; or b. The user is to receive delivered electricity at a service standard different to the Applicable Service Standard Benchmarks for this service. |

⁴⁶ This is the technical criteria that permits the relocation.

⁴⁷ Ibid.

| Reference Service Name: | Reference Service D* - Capacity (swap) Relocation Service |
|---|---|
| Applicable Reference Tariff: | <p>The tariff is the exit or bi-directional reference tariff nominated by the User in its Electricity Transfer Application that applies to all the nominated Connection Points for this Service.</p> <p>The Charges that apply will be calculated as if the User had a single Connection Point with a single administration Charge. The resultant Charges will then be divided by the number of Exit Points at the commercial premises and allocated equally to each Connection Point in the group⁴⁸.</p> <p>A single administration charge is payable for each Connection Point it must be calculated by dividing the single fixed administration charge equally over the total number of Connection⁴⁹ Points.</p> <p>For CMD, the Charges are calculated based on the total combined CMD. The resultant Charges will then be divided by the number of Exit Points and allocated equally to each Exit Point in the group.</p> <p>Where a Covered Service applies at each Connection Point. The total nominated CMD is usually divided equally by the number of Connection Points. However, due to operational requirements, the User may be required or permitted to nominate a CMD at each Connection Point, in unequal proportions of the total CMD for the group of Connection Points.</p> <p>The Excess Network Usage Charge (ENUC) will also be calculated based on the total combined CMD and then divided and allocated equally to each Exit Point in the group.</p> <p>The electrical distance used in calculating the variable demand length charge is the average electrical distance.</p> <p>The relevant charge associated with a Pricing Zone or Substation is the electrically closest Substation.</p> |
| Applicable Standard Access Contract: | "Electricity Transfer Access Contract" published in Appendix A of the access arrangement. |
| Applicable Service Standard Benchmarks: | 10 business days ⁵⁰ |

⁴⁸ Note: These items may form and be detailed part of the tariff calculation requirements under the Price List for this.

⁴⁹ Note: Under the 2033/23 Price List – Clause 4.1 At WP’s discretion, the charges detailed below may be discounted where there are multiple exit points on the same premises that are configured in a non-standard way. These discounts include, but are not limited to, only charging one administration charge per site.

⁵⁰ Refer to ENAC section A3.20.

Appendix C - Synergy’s combined B3/C15 – Service facilitating a distributed generation or other non-network solution

| Reference Service Name: | Reference Service B* - Service facilitating a distributed generation or other non-network solution |
|---|---|
| Reference Service Description: | A service ancillary to an exit service, entry service or bi-directional service for WP to calculate and provide a discount in accordance with sections 7.9 and 7.10 of the ENAC, the policies under section 7.11 of the ENAC and the Economic Regulation Authority’s “Guideline on factors that will be considered in new facilities investment test determinations including methods to value net benefits”. |
| Eligibility Criteria: | Users are eligible to use this service if: 1. The user has submitted an electricity transfer application for this Reference Service. |
| Applicable Reference Tariff: | The tariff should be either a: <ul style="list-style-type: none"> • published tariff in the price list approved by the ERA; or • a described method to calculate the tariff, detailed in the required policies under ENAC section 7.11, and within the access arrangement approved by the ERA. |
| Applicable Standard Access Contract: | “Electricity Transfer Access Contract” published in Appendix A of the access arrangement. |
| Applicable Service Standard Benchmarks: | 20 business days |

Appendix D - Synergy's required remote load/inverter control service

| | |
|---|---|
| Reference Service Name: | Reference Service D6 - Remote Direct Load/Inverter Control Service |
| Reference Service Description: | <p>A service ancillary to:</p> <ul style="list-style-type: none"> • exit services; and • bi-directional services, <p>for the variable control to zero - of the transfer of electricity through a connection point, in relation to a load or inverter, by a command sent to a meter from a remote locality.</p> <p>The service does not include any site visits by Western Power.</p> |
| Eligibility Criteria: | <p>Users are eligible to use this service if:</p> <ol style="list-style-type: none"> 1. The user is receiving an exit service or bi-directional service at the connection point; and 2. The user has submitted an electricity transfer application for a Remote Direct Load/Inverter control service and that application is approved; and 3. The meter relating to the connection point is configured to receive and provide commands for this service from a remote locality; and 4. Communication equipment to transmit commands to and messages from the meter and Western Power has been installed; and 5. The consumer's facilities and equipment are technically capable of receiving the service and comply with the Technical Rules, the WA Electrical Requirements, and AS/NZS 3000. |
| Applicable Reference Tariff: | Fixed charge per request |
| Applicable Standard Access Contract: | "Electricity Transfer Access Contract" published in Appendix A of the access arrangement. |
| Applicable Service Standard Benchmarks: | 30 minutes |

Appendix E – Alternative drafting of the “sole purpose” criterion for storage and EV charging services (C18-C22)

Amendments (in red) have been agreed in principle with WP, in relation to the “sole purpose” criterion, for the following reference services:

- Reference Service C18 – Low Voltage Distribution Storage Service
- Reference Service C19 – High Voltage Distribution Storage Service
- Reference Service C20 – Transmission Storage Service
- Reference Service C21 – Low Voltage Electric Vehicle Charging Service
- Reference Service C22 – High Voltage Electric Vehicle Charging Service

For C18 – C20:

- The *connection point* will use *storage works* for the **primary sole** purpose of **a storage activity and may also be used for other purposes ancillary to a storage activity**; and

For C20 – C21:

- The *connection point* will be used for the **primary sole** purpose of charging electric vehicles **and may also be used for other purposes ancillary to the charging of electric vehicles**; and