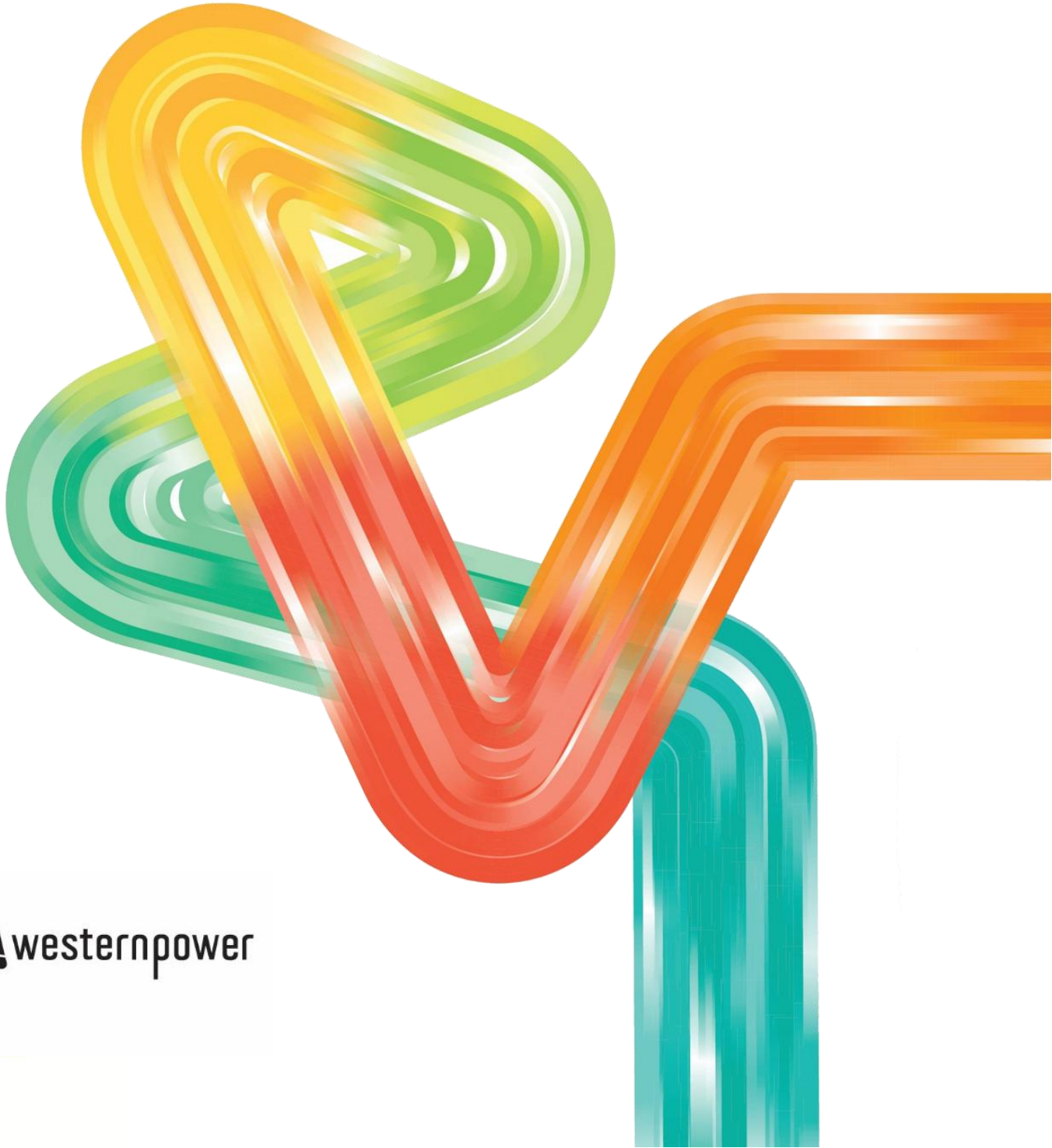
Regulatory Test Waiver Submission

Zephyr Energy's Parron Maam Marang Wind Farm

Public Submission

Public

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westernpower

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1. Introduction

This document is a **public version** of Western Power's application to the Economic Regulation Authority (ERA) seeking a waiver of the regulatory test under Chapter 9 of the *Electricity Networks Access Code 2004* (the *Code*).

Western Power has prepared this public version in accordance with standard regulatory practice. Information has been redacted where it is considered:

- commercially sensitive;
- related to confidential contractual arrangements; or
- security-sensitive in relation to critical electricity infrastructure.

The redactions are limited to what is necessary to protect legitimate confidentiality interests while maintaining transparency of the waiver application.

2. Executive summary

Western Power seeks a waiver of the regulatory test in relation to a proposed major augmentation required to connect the Parron Maam Marang Wind Farm (the *Project*), a large-scale renewable generation development in Western Australia.

The Project will contribute to:

- Renewable energy supply within the South West Interconnected System (SWIS);
- Replacement of retiring generation capacity;
- Maintenance of system reliability and security.

Western Power proposes to deliver transmission infrastructure necessary to enable the connection of the Project.

Western Power submits that:

- **There is no viable alternative** to the proposed augmentation; and
- **The augmentation will not result in a net cost to network users**, due to the applicable funding framework.

Accordingly, Western Power considers that granting a waiver is consistent with the objectives of Chapter 9 of the Code.

3. Redaction Schedule

Section / Reference	Description of Redacted Information	Reason for Redaction	Justification (ERA-aligned)	Redaction Type
Cover Page	"Commercial-in-confidence" / "Highly confidential" markings	Confidentiality designation	Not appropriate for a public version; removal required for publication	Full removal
Executive Summary	Specific references to commercial agreements (e.g. PPA counterparty)	Commercial sensitivity	Disclosure could prejudice commercial negotiations or reveal third-party contractual positions	Generalised
Executive Summary & Section 4	Detailed financial values (project cost, funding splits, revenue estimates)	Commercial confidentiality	Financial data is market-sensitive and may impact future negotiations or competitive positioning	Aggregated / removed
Section 3.2 (Augmentation)	Total capital cost and asset value breakdowns	Market-sensitive financial information	Disclosure may impact procurement, tendering and cost benchmarking in future projects	Removed
Section 4.2	Incremental tariff revenue modelling and present value calculations	Regulatory and commercial sensitivity	Reveals internal financial modelling and pricing assumptions	Removed
Table 1 (Capital Breakdown)	Full table of funding contributions and cost allocations	Highly commercially sensitive	Details commercial structure between Western Power and proponent	Fully removed
Section 3.5 (Delivery Approach)	Detailed contractual framework (APA, IWC, asset transfer mechanics, gifting)	Commercial-in-confidence contractual arrangements	Disclosure would reveal negotiated positions and contractual structure	Generalised

Section 4.2	Customer capital contribution obligations	Third-party commercial sensitivity	Information relates to specific customer financial commitments	Removed
Section 3.3 (Shared Assets)	Detailed technical descriptions including circuit configurations and specifications	Critical infrastructure sensitivity	Detailed system design may pose operational or security risk	Generalised
Section 3.3	Specific line names, terminal identifiers, circuit numbering	Network security sensitivity	Could expose sensitive network topology information	Removed
Attachment 1	Single line diagrams and aerial layouts	Critical infrastructure security	Publication of network schematics may pose a security risk	Fully removed
Section 4.1	Detailed options analysis and internal evaluation outcomes	Internal deliberative material	Disclosure of internal assessments may prejudice future regulatory or investment processes	Summarised
Section 3.2–4	Detailed engineering design rationale (e.g. configuration justification)	Security and operational sensitivity	Could expose vulnerabilities or operational design decisions	Generalised
Throughout document	References to specific contractual structures and negotiations	Commercial-in-confidence	Protects confidentiality of agreements with third parties	Generalised
Footer / metadata	Internal document IDs and tracking references	Internal administrative information	Not relevant for public disclosure	Removed

4. Relevant Regulatory Framework

4.1 Requirement for Regulatory Test

Under section 9.2 of the Code, Western Power must not commit to a major augmentation unless the regulatory test is satisfied.

The proposed augmentation meets the definition of a major augmentation and would ordinarily require assessment under Chapter 9.

4.2 Waiver Provisions

Section 9.23 of the Code allows the ERA to waive the regulatory test where its application would be contrary to the Chapter 9 objectives, including where:

- There are no viable alternative options; or
- The funding of the augmentation will not result in a net cost to electricity users.

4.3 Objectives of Chapter 9

The objectives of Chapter 9 include:

- Ensuring augmentations maximise net benefits;
- Minimising regulatory burden and delay;
- Reducing barriers to efficient investment in the electricity sector.

Western Power considers that these objectives are best achieved through granting the proposed waiver.

5. Project and Augmentation Overview

5.1 Project Overview

The Parron Maam Marang Wind Farm is a proposed large-scale renewable generation project located in Western Australia.

The Project is expected to:

- Operate over a long-term lifecycle;
- Deliver substantial renewable energy capacity into the SWIS;
- Support the State's energy transition objectives.

5.2 Proposed Augmentation

Western Power has undertaken an assessment of connection options and identified a preferred solution involving:

- Development of new high-voltage transmission infrastructure;
- Integration with the existing transmission network;
- Associated system protection, control, and communications works.

The augmentation includes both:

- **Shared network assets**, which form part of the transmission network; and
- **Connection assets**, which are specific to the Project.

This waiver application relates to the shared network assets only.

5.3 Shared Network Assets

The shared network assets:

- Form part of the interconnected transmission system;
- Support broader system reliability and operational flexibility;
- Remain in service independent of the Project.

5.4 Connection Assets

Connection assets:

- Are specific to the Project;
- Do not provide shared network capacity;
- Are funded by the proponent in accordance with the applicable policy framework.

These assets are not subject to the regulatory test and are excluded from this application.

5.5 Delivery Approach

The project will be delivered through a structured delivery model involving Western Power and the proponent, with roles and responsibilities defined under standard contractual arrangements.

6. Waiver Request and Justification

Western Power submits that the ERA should grant a waiver under section 9.23 of the Code.

6.1 No Viable Alternative (Section 9.23(a))

Western Power has assessed a range of connection options.

The preferred option:

- Meets technical and operational requirements;
- Maintains system security and reliability;
- Aligns with prudent and efficient network development.

No alternative option was found to be capable of delivering the required service outcomes.

Western Power therefore considers that the requirement under section 9.23(a) is satisfied.

6.2 No Net Cost to Network Users (Section 9.23(d))

The funding arrangements for the proposed augmentation are structured in accordance with established regulatory policies.

Under these arrangements:

- Costs attributable to customer-driven investments are recovered from the proponent and associated revenue streams;
- Existing network users are not exposed to incremental costs.

This ensures that the augmentation:

- Is cost-reflective;
- Does not result in cross-subsidisation;
- Is consistent with the principles of the Code.

Western Power therefore considers that the requirement under section 9.23(d) is satisfied.

6.3 Consequences if Waiver is Not Granted

If the waiver is not granted:

- The project may experience delays due to regulatory processes;
- The connection of new renewable generation could be deferred;
- This would be inconsistent with the objectives of efficient investment and timely delivery.

7. Conclusion

Western Power submits that:

- The proposed augmentation is necessary and efficient;
- There are no viable alternatives;
- The funding model ensures no net cost to network users.

The application of the regulatory test would not provide additional benefit and would introduce unnecessary delay.

Accordingly, Western Power respectfully requests that the ERA grant a waiver of the regulatory test for the proposed major augmentation.

8. Public Version Disclaimer

This document is a **public version** of the original submission.

The following information has been removed or aggregated:

- Detailed financial and cost information;
- Commercial and contractual arrangements;
- Customer-specific funding obligations;
- Detailed technical design, network configuration, and schematics;
- Any information considered commercially or operationally sensitive.