

Our ref: HP-9064

17 December 2020

Energy Policy WA
Level 1, 66 St Georges Terrace
PERTH WA 6000

Via email: submissions@energy.wa.gov.au

Dear Sir/Madam,

CORPORATIONS ACT AMENDMENTS ENABLING WESTERN POWER TO DEPLOY STANDALONE POWER SYSTEMS

As Western Australia's regional energy provider, Horizon Power is committed to delivering sustainable and affordable energy solutions that harness the very latest in renewable technologies providing more choice to customers and supplying more affordable electricity to drive regional growth and to develop vibrant communities.

I refer to the Energy Policy WA's Information Paper titled the '*Ability for Western Power to Deploy Standalone Power Systems*' and note that the Minister for Energy has given approval for amendments to be made under section 43(3) of the *Electricity Corporations Act 2005* (the ECA) (the Amendments) to enable Western Power to provide Standalone Power Systems (SPS) as a network replacement service within its distribution licence area (Distribution Area).

Horizon Power is broadly supportive of Western Power deploying SPS units within its Distribution Area without any connection to the Southwest Interconnected System (SWIS), as a network replacement service and acknowledges that this avoids the costs and impracticalities associated with maintaining a physical connection to the SWIS.

The business notes that the Amendments are not intended to enable Western Power to expand its service provision beyond the existing network but rather allow Western Power to deploy SPS only within its Distribution Area as per the *Electricity Industry Act 2004* (WA). Should Section 43(3) of the ECA be removed and Western Power install SPS unconnected to the SWIS there is an argument that under Section 52 of the ECA, Horizon Power may technically be able to operate in those areas.

Horizon Power further notes that, despite the Amendments, as per Section 37 of the ECA, Synergy can:

- continue to be in retail contracts with the current customers (who will receive an SPS from Western Power and have their lines removed); and
- enter into retail contracts with new customers within the Western Power Distribution Area whose receive power is provided by a Western Power unconnected to the SWIS.

Therefore additional regulations to deal with Synergy carrying out functions outside the SWIS are not required.

Thank you for the opportunity to respond to these developments.

Yours sincerely,


Stephanie Unwin
CHIEF EXECUTIVE OFFICER

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