



1 November 2021

Ms Kate Ryan
Coordinator of Energy
Energy Policy WA

Lodged via email: energytransformation@energy.wa.gov.au

Dear Ms Ryan,

The Clean Energy Council (CEC) is the peak body for the clean energy industry in Australia. We represent and work with hundreds of leading businesses operating in renewable energy and energy storage along with more than 7,000 solar and battery installers. We are committed to accelerating the transformation of Australia's energy system to one that is smarter and cleaner.

The CEC welcomes the opportunity to provide comment on the proposed changes to the Western Australian Energy and Governance Legislation Reform. Broadly, the CEC supports the intent of the reform process to create a centralised regulatory framework to consolidate the current arrangements into a coherent framework. An uncoordinated approach to energy market regulation frameworks can and has resulted in fragmented instruments that are poorly coordinated and difficult for industry to manage.

The CEC encourages the WA Government and Energy Policy WA to continue their transparent and open consultation processes throughout this reform. Ensuring the private sector and Government Trading Enterprises (GTE) have an equal opportunity to provide input to the future regulatory structure is critical to ensuring investment and development occurs in the Wholesale Electricity Market (WEM) continues.

The CEC notes that the overarching objective presented in the paper proposes to include "the protection and advancement of the interests of consumers (present and future) through energy services that are fair, secure and reliable, of appropriate quality, and affordable and sustainable, while also accounting for environmental considerations more broadly"¹. While we support this objective, we suggest that Energy Policy WA (EPWA) consider the addition of an objective to ensure the governance frameworks encourage competition in the electricity market. The WA electricity sector has significant Government involvement through the GTEs. A competition objective in the governance framework ensures future regulatory changes are made with consideration of a competitive market.

We also note the consideration for an explicit test that will be used to adjudicate rule change requests, similar to how the Australian Energy Market Commission (AEMC) applies the National Electricity Objective (NEO). This intent is supported by the CEC, however, we encourage EPWA to include environmental considerations as part of this test. The WA energy transition has to date, been conducted in a pragmatic and efficient manner. The National Electricity Market (NEM) transition has been less co-ordinated. A significant reason for this is the inability of the AEMC and other market

¹ EPWA, Energy and Governance Legislation Reform, pg. 23, October 2021, available at <https://www.wa.gov.au/sites/default/files/2021-10/Energy-and-Governance-Legislation-Reform-Consultation-Paper-Oct21.pdf>

bodies to consider environmental objectives, namely emissions reductions, in their rule change processes.

Thank you for the opportunity to comment on this consultation. If you would like to discuss any of the issues raised in this submission, please contact myself, as outlined below.

Yours sincerely,

A handwritten signature in black ink that reads "tparkinson". The signature is written in a cursive, lowercase style.

Tom Parkinson
WA Manager
tparkinson@cleanenergycouncil.org.au