

Our ref: EDM58320422
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3 November 2021

Ashwin Raj
Energy Policy WA
Level 1, 66 St Georges Tce
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Dear Ashwin,

Submission on the Energy Governance & Legislation (Project Eagle) Consultation Paper

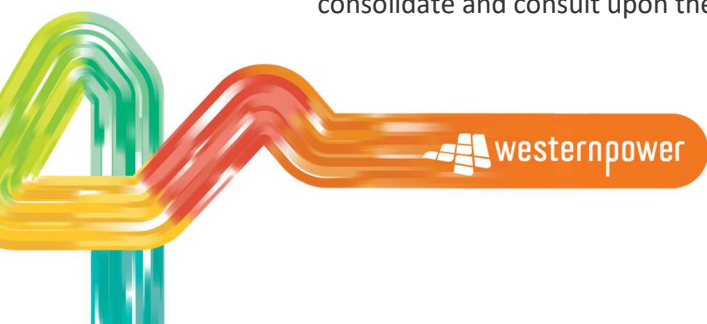
Western Power would like to thank Energy Policy WA (**EPWA**) for the opportunity to participate in, and provide feedback on, the legislative reforms applicable to the South West Interconnected System (**SWIS**) of which the Western Power network forms a critical part.

We understand that these reforms named 'Project Eagle' will initially involve creating a legislative framework for the formation of the Energy Rules-Western Australia (**ER-WA**) with the existing legislative instruments reviewed, consolidated, and transitioned to the ER-WA over a longer period.

Western Power supports the objective of rationalising and consolidating the currently disparate legislative instruments relating to the energy sector into a more central, coherent and consistent framework. We further support doing this in a manner that supports additional regulatory flexibility to better accommodate the fast pace of change to the energy sector which we are currently experiencing.

As further details of the Project Eagle reforms are developed Western Power provides the following initial comments:

1. Creating further flexibility in the legislative framework is needed but this needs to be tempered against maintaining certainty in respect to rules that are fundamental to such things as network and system security and reliability. Western Power suggests that depending on the criticality of the rule different levels of governance are applied to future rule changes.
2. The proposed advisory panels to the Coordinator of Energy will play a key role in determining the direction of future industry reforms and as such the composition of the advisory board will be important. Details of the role, size and composition of this panel will need to be further understood.
3. There will be a material amount of work required by many industry participants to review, consolidate and consult upon the transition of the existing legislative instruments into the ER-



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WA over the next few years. Given this timeline we note that there are some more pressing matters in the electricity industry which should be prioritised as part of the transition planning. These matters include the continued progression of the work currently underway pursuant to the DER Roadmap to provide further clarity to network/system security and reliability matters. In addition the ER-WA should consider implementation of recent legislative and regulatory changes, such as recent WEM Rules changes or Technical Rules proposals as part of the transition planning.

4. Western Power would like to work with EPWA on defining the priorities of the ER-WA. For example, Western Power considers that it would be of significant benefit to the SWIS to allow for greater flexibility to the Frequency and system pressure limitations provided for in the *Electricity Act 1945* (WA).
5. The drafting of the legislation to effect these reforms will significantly determine their effectiveness and will also ensure that critical matters are not overlooked. As such, Western Power expects that appropriate consultation occurs at each key stage of the process, including the instructions and the proposed legislative amendments.

As the form of the legislative changes evolve Western Power would like to continue to work with EPWA to provide information and assistance where needed. We look forward to working with EPWA on this project.

Should you have any queries please do not hesitate to contact Zahra Jabiri or Andrew Cook.

Yours sincerely



Zahra Jabiri
Head of Regulation & Investment Assurance



Andrew Cook
Managing Counsel