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WA electricity customers to benefit from reforms

Western Australian electricity consumers will be the beneficiaries of new energy choices and national regulation of electricity networks announced by the Western Australian Government today.

The Energy Networks Association (ENA) has welcomed the Electricity Market Review Options Paper and the response from the Western Australian Government.

The Government’s announcement is good news for customers in Western Australia who will benefit from nationally consistent economic regulation of networks and frameworks supporting innovation in customer services, ENA CEO John Bradley said.

"Retail competition will see retailers competing on the price and service benefits they can offer consumers and we are likely to see more rewarding tariff structures for customers who reduce peak demand," Mr Bradley said.

Mr Bradley said the transfer of responsibility for the economic regulation of electricity networks to the Australian Energy Regulator is a significant step toward the realisation of national reform agenda set over a decade ago. It will strengthen the national character of energy regulation.

"Australia needs two energy regulators about as much as it needs separate rail gauges in each State, so full marks to the Western Australian Government for removing unnecessary complication and investment uncertainty.

"There is also a national benefit. With its vast area and low customer density, Western Australia's electricity network is at the sharp end of many of the challenges and opportunities facing networks all around the world as they reinvent their business model and customer relationships.

"Australia's energy networks will rely on their ability to provide value to customers and to draw on new technologies and non-network solutions where they provide better outcomes for customers," Mr Bradley said.

Mr Bradley said the reform package was welcome but only the beginning of reforms to improve outcomes for customers.

"As Minister Nahan acknowledges, Western Power will require significant investment in long life infrastructure in the next few years.

"The rapid energy transformation will make it essential that networks can respond dynamically - they will need access to sufficient capital to fund efficient network services and they will need the flexibility in regulatory rules to allow innovation.

"The Government's announcement is welcome progress in this important process of energy reform," Mr Bradley said.

ENDS.

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ENA is the peak national body for Australia’s energy networks; and represents gas distribution and electricity network businesses on economic, technical, environment and safety regulation as well as national energy policy issues.