

2/12/11

Mr Tyson Self Manager Projects, Access Economic Regulation Authority Level 6, 197 St Georges tce Perth 6000

## SUBMISSION ON WESTERN POWER'S ACCESS ARRANGEMENT / SMART GRID PROPOSAL

Dear Sir

DCW Ltd fully supports and encourages the early adoption by government of distributed generation (DG) and smart-grid technology, which together will underpin the carbon-constrained world that we will all be inhabiting within the next 20 years.

Both are proving their worth across the world, and are increasingly being adopted to replace ageing and outmoded infrastructure, delivering in turn greater efficiency and reliability, cost benefits and superior management capabilities to infrastructure owners, generators, distributors and consumers alike.

Being modular, open-platform and interoperable, smart-grid technology is compliant with developing national and international standards being adopted by Australia and other major markets, including the USA.

Western Power's proposal is timely, and provides a unique opportunity in this State to create a cost-effective intelligent network – a key component of improving operational and capital efficiency, and meeting the changing needs of its customers and stakeholders. Implemented as part of a broad upgrade program, rather than purely a startup innovation, even greater cost benefits can be achieved.

The Corporation's "Green Town" trial in partnership with the Denmark and Walpole communities has achieved significant changes in consumer behaviour, including lowering peak energy use and introducing the concept of self-management through the rollout of 2000 smart meters. Early indications are that many customers are willing to change their traditional useage patterns, once educated about the new technology and given incentives.

If this paradigm-shifting improvement in energy management and use can be introduced sooner rather than later, it will be a great thing made better. Accordingly we urge the Authority to adopt the proposal by Western Power.

Yours faithfully

Craig Chappelle a/chairman

This project is supported by the Australian Government through the Renewable Remote Power Generation Program. The Program is implemented by the State's Office of Energy in Western Australia.