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Dear Tyson

Thank you for the opportunity to respond to the “Exemption from certain Technical Rules” submission from Western Power to the ERAWA. We wish to comment on the request by Western Power as it stands and query as to how exemptions will be granted in the future on a similar basis.

It has been noted in the ERA issues paper that it appears to be quite costly to comply with all the Technical Rules – in particular the reliability criteria. I note that this issue, in general, applies to all generation connections.

In regards to the Mumbida Windfarm connection, Western Power considers that the “additional cost to implement a solution which is compliant under all operating conditions cannot be justified at this time because the cheaper non-compliant solution provides an acceptable technical outcome...”.

This particular argument could be applied to many situations and is unclear as to exactly why in this situation Western Power is satisfied a cheaper non-compliant solution is acceptable. We are sure in many generator connection cases a lower cost solution would result in a satisfactory technical outcome, but Western Power has previously insisted on a fuller compliance to the Technical Rules.

We are not supportive in this regard as the allowance of a “cheaper” solution does not appear to be applied across the board, and if approved, we would be seeking guidance as to which particular situations Western Power would accept a “cheaper non-compliant solution” for connection projects. It is not clear in this case what, if any, risk Mumbida will be taking in exchange for lower capital costs.

In regards to the KML supply, we are supportive of the theory that KML is implementing a cheaper connection, but in turn is taking its own risk in its hands by accepting that with lower reliability, which may result in load shedding and tripping to its own facilities. We support the notion that market participants should be allowed to save on capital expenditure if the risk of reliability is borne

by the same participant. It is clear in this case that KML is accepting risk for the saving of capital expenditure.

We would appreciate further guidance from the ERA and Western Power as to which situations in particular that exemptions would be supported so future investment decisions may be based around that information.

Yours Sincerely



Ben Tan
CEO
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