

---

National Greenhouse and Energy  
Reporting System  
Regulations Policy Paper

Submission to the  
Commonwealth Department of Climate Change

---



27 February 2008

**© Copyright of Western Power**

Any use of this material other than for the purpose of the Commonwealth Department of the Environment and Water Resources' public consultation on Regulations called for by the *National Greenhouse and Energy Reporting Act 2007* is prohibited unless prior written agreement is obtained from Western Power.

## Table of contents

1	Introduction	1
2	Discussion pertaining to the Regulations Policy Paper	2
2.1	General comments	2
2.2	Section 1.3: Facilities	2
2.3	Section 1.3.2: A single physical area or location	2
2.4	Section 2.1.1: Content of application to register	2
2.5	Section 3.1.1: Aggregating data from small facilities	2
2.6	Section 3.1.4: Materiality	3
2.7	Section 4.1.1: Type of greenhouse gas information to be published	3
2.8	Section 4.1.3: Public disclosure of contextual data	3
3	Other comments	4
3.1	Overview of Western Power	4
3.2	Strategic direction	4
4	Further information	6

# 1 Introduction

Western Power welcomes the opportunity to comment on the National Greenhouse and Energy Reporting System Regulations Policy Paper and supports the move to consolidate greenhouse reporting in a single all encompassing system meeting stakeholder needs.

Western Power is a signatory to the Greenhouse Challenge Plus program. Western Power is committed to report emissions and take appropriate action to reduce them.

Western Power's submission is structured in response to issues identified in specific sections of the Regulations Policy Paper.

Western Power is keen to work cooperatively at a national and State level in support of the process to develop the Regulations.

Western Power is committed to contributing to the sustainable development, security and reliability of energy supply in Western Australia.

## 2 Discussion pertaining to the Regulations Policy Paper

The following responds to issues raised in the Regulations Policy Paper.

### 2.1 General comments

Western Power does not have any significant issues with what is proposed by the Policy Paper and welcomes the addition of the materiality test.

However, further clarity is required to understand how the overall reporting process fits together. Western Power suggests the addition of flow diagrams to the Regulations illustrating the relationships between key concepts such as facility determination, operational control, materiality test and threshold determination. This would assist the overall understanding of process flow and requirements.

### 2.2 Section 1.3: Facilities

Western Power is of the view that the definition of a facility requires further clarification. The Regulations need to provide a clear definition to avoid ambiguity in their interpretation.

Of particular relevance to Western Power, the Regulations need to determine whether a transmission and distribution network is a facility. If not, they need to determine whether individual substations are separate facilities, in which case significant measurement problems would arise.

Moreover, Western Power owns a number of operational depots throughout the South West of Western Australia. The current definition of a facility makes it unclear whether these depots are to be considered as individual facilities or not.

### 2.3 Section 1.3.2: A single physical area or location

Western Power recommends a statement similar to that provided for pipelines be added to this section:

*The electricity network (transmission and/or distribution) including affiliated substations and equipment would be considered a single facility.*

### 2.4 Section 2.1.1: Content of application to register

Western Power interprets this section as requiring companies with facilities not exceeding the reporting and materiality thresholds to still provide the location and operation details of such facilities.

Western Power suggests that the registration of such facilities represents an unnecessary burden, as their emissions will not be reported. Registration should only be required if a facility exceeds the thresholds.

### 2.5 Section 3.1.1: Aggregating data from small facilities

Western Power supports the aggregation of data from small facilities. However, the Policy Paper requires further clarification of the mechanism to be used for such aggregation.

The flow diagrams mentioned under general comments could assist in providing a better understanding of the intended aggregation procedure.

## 2.6 Section 3.1.4: Materiality

Western Power strongly supports the introduction of materiality to determine whether corporations are required to report on individual facilities, as it reduces the reporting burden whilst ensuring appropriate emissions data is reported.

Western Power also believes the concept should be extended to include sources within facilities, as it would reduce the burden of seeking ever-decreasing levels of emissions and energy use. Western Power suggests using similar wording to the facilities clause:

*A corporation is not required to report on a source from a facility for a given reporting year if it:*

- *comprises less than 2% of the facility inventory; and*
- *the aggregate of all sources excluded for an individual facility should not be more than 5% of the facility inventory.*

## 2.7 Section 4.1.1: Type of greenhouse gas information to be published

Western Power supports the separate disclosure of scope 1 and 2 emissions, as combining them will lead to significant confusion within the wider community.

## 2.8 Section 4.1.3: Public disclosure of contextual data

Western Power supports the supply of contextual data with emissions data. This can be dealt with by linking the emissions report page for individual companies to a page on their website explaining the level of emissions and projects undertaken to lower them. This would remove the requirement for disclaimers as the contextual information would not be published on the NGERs website.

### 3 Other comments

#### 3.1 Overview of Western Power

Western Power is the largest electricity network operator (transmission and distribution) in Western Australia, responsible for operating and maintaining the South West Interconnected System (SWIS). The SWIS extends from Kalbarri to the North to Albany in the South and extends to Kalgoorlie to the East. The SWIS includes:

- In excess of 140 zone and terminal substations;
- 6,750 km of transmission lines and cables; and
- 83,000 km of overhead and underground distribution lines and cables.

Western Power is a Government Trading Enterprise. As a corporation, Western Power makes commercial decisions based on regulation, and has an independent Board of Directors providing strategic direction to the business.

Western Power is responsible for:

- Maintaining the SWIS;
- Restoring power after interruptions;
- Developing the SWIS to meet the needs of customers and developers, and to bring electricity to new areas; and
- Providing generators and retailers with access to the SWIS.

Western Power provides more than 800,000 customers with a safe, reliable and efficient supply of electricity.

Western Power is supported by a number of ancillary operations such as administration centres, associated depots and communication sites located throughout the SWIS.

#### 3.2 Strategic direction

To address current and future challenges and opportunities of energy supply in Western Australia, Western Power has developed a Strategic Plan for 2008-2010 and a Strategic Direction Statement to 2016, both of which will assist the development of the energy industry in the State.

The foundation of Western Power's strategic direction remains operational excellence – a commitment to the safe, reliable and efficient transmission and distribution of electricity through efficient work practices, commercially focused business operations, achieving a challenging capital works and maintenance program, and improving our support systems and processes to deliver quality programs and services.

To build on our operational excellence, Western Power has added three strategic themes, all of which will assist the continued development of the energy industry in Western Australia. The three strategic themes recognise and anticipate the need for sustainable development and the changes occurring in government policies, community expectations and technological changes.

The three strategic themes are engaging with the community; transforming the customer experience; and developing the 'green edge'. All three involve Western Power evolving and maturing from being a network operator to an energy solutions business.

We have embarked on the need to engage with our communities and our stakeholders to develop energy solutions that meet the needs of our customers, communities and industry.

Western Power intends to broker better relationships in the delivery of energy solutions and the ensuing greater level of understanding of issues will improve the prospects for consensus in developing optimum energy solutions.

A clear and detailed understanding of our customers current and future needs will ensure we develop optimum solutions to meet these needs. This will minimise the risk of asset stranding, reduce the long-term costs of supply and facilitate the most sustainable energy sources.

Developing the 'green edge' involves raising awareness of energy consumption patterns, leading the sustainability debate and identifying energy solutions for the future. Minimising Western Power's environmental footprint through offset and abatement actions, and contributing to broader industry actions remains central to this strategy.

Western Power will think and act beyond 'poles and wires' by working with industry and the community to develop alternative options for energy development.

To facilitate these initiatives, Western Power will support communities in developing sustainable energy solutions by developing a portal for services; establishing community and industry forums; undertaking demand management initiatives; developing intelligent network technology and capabilities; and working with industry to deliver support services to connect renewable energies to the SWIS.

We look forward to working with all our stakeholders to develop energy solutions that contribute to sustainable development, security and reliability of energy supply and competitive energy prices in Western Australia.

## 4 Further information

For further information on this submission, please contact:

Geoffrey Park  
Senior Environmental Officer, Environment and Land Management

Western Power  
363 Wellington Street  
PERTH WA 6000

P: (08) 9326 6800

E: [geoffrey.park@westernpower.com.au](mailto:geoffrey.park@westernpower.com.au)