





30 March 2016

# Allowable Revenue and Forecast Capital Expenditure Proposal for System Management and Independent Market Operator functions

### **ISSUES PAPERS**

The Economic Regulation Authority (ERA) has today published three issues papers.

These issues papers relate to proposals for allowable revenue and forecast capital expenditure for the period 1 July 2016 to 30 June 2019 submitted by:

- (1) the Independent Market Operator (**IMO**) in respect of its <u>Gas Services Information (**GSI**</u>) functions;
- (2) the IMO in respect of its <u>Wholesale Electricity Markets (WEM)</u> functions; and
- (3) <u>System Management</u> (Western Power) in respect of its functions.

The Gas Services Information Rules (2015) require the ERA to assess and determine allowable revenue and forecast capital expenditure proposed by the IMO.

The *Wholesale Electricity Market Rules (2015)* require the ERA to assess and determine the allowable revenue and forecast capital expenditure proposed by the IMO and System Management.

On 30 September 2015, the Minster for Energy announced the transfer of the system management and operation of the WEM and GSI functions from the IMO to AEMO, and the transfer of the System Management functions from Western Power to AEMO.

These transfers have necessitated a number of changes to the WEM rules, the GSI rules and associated procedures. The implication of these organisational changes are discussed in the Issues Papers.

The allowable revenue and capital expenditure proposals submitted by the IMO and System Management are available for comment on the Authority's website

#### PUBLIC SUBMISSIONS

Interested parties are invited to make submissions on any element of the Issues Papers or the proposals submitted by IMO or System Management by **4:00 pm (WST)** on Friday, 29 April 2016.

Submissions should be made via the <u>portal on the ERA's website</u>, and marked to the attention of Jeremy Threlfall, Assistant Director, Access.

Postal address:

PO Box 8469, PERTH BC WA 6849 Level 4, Albert Facey House, 469 Wellington

Office address: Street, Perth WA 6000

#### CONFIDENTIALITY

In general, all submissions from interested parties will be treated as being in the public domain and placed on the ERA's website. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed, and specify in reasonable detail the basis for the claim. The publication of a submission on the ERA's website shall not be taken as indicating that the ERA has knowledge either actual or constructive of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the ERA.

For further information contact:

## **General Enquiries**

Name Nurcan Catan Phone: 08 6557 7979 Email: <u>records@erawa.com.au</u> Media Enquiries Tracy Wealleans Phone: 0428 859 826 Email: communications@erawa.com.au