



## Notice

23 August 2021

## Pilbara Networks Access Code

Proposed ringfencing rules for covered Pilbara networks

The Economic Regulation Authority is seeking feedback from stakeholders on <u>proposed</u> ringfencing rules submitted by Alinta Energy and Horizon Power under the *Pilbara Networks Access Code*.

The Code commenced on 1 July 2021, and sets out a light-handed access regime to facilitate third-party access to covered networks in the Pilbara region. Currently there are two covered networks - the Alinta Energy Port Hedland network and the Horizon Power coastal network.

The Code requires network service providers that also generate or retail electricity to submit ringfencing rules to the ERA for approval. The ringfencing rules ensure that vertical integration does not lead to a reduction in competition in generation and retail markets.

The rules must ensure that:

- Commercially sensitive information received by the network business is not used outside of the network business or for a purpose other than for which the information was acquired or developed.
- Charges paid by users of the network include only network costs.
- The network business does not discriminate against competitors or in favour of its own, or associates', generation or retail businesses.

The requirements allow for flexibility, recognising that the structure and nature of network service providers businesses differ substantially.

Under the light-handed regulatory approach of the Code, the ERA can only require amendments to a service provider's proposed rules where the public benefit exceeds the cost of compliance.

## **Invitation for submissions**

The ERA invites interested parties to make submissions on the proposed ringfencing rules for the Alinta Energy Port Hedland network and Horizon Power coastal network.

Submissions close 4:00pm (WST) Friday, 17 September 2021.

Submissions should be lodged online using the form on our website <a href="https://www.erawa.com.au/consultation">www.erawa.com.au/consultation</a>.

## **Further information**

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