



Notice

21 January 2022

Ringfencing rules for covered Pilbara networks

Decision

The ERA has approved <u>ringfencing rules</u> for the two electricity networks regulated under the *Pilbara Networks Access Code*.

The purpose of the ringfencing rules is to ensure that vertical integration of a covered network service provider does not lead to a reduction in competition in generation or retail markets.

The two networks are:

- Alinta Energy's Port Hedland network, which is owned and operated by subsidiary Alinta Duke Energy WA Power Pty (ADEWAP).
- Horizon Power's coastal network.

The Code sets out the light-handed access regime that facilitates third-party access to covered networks in the Pilbara region.

Under the Code, ringfencing rules must contain measures that ensure that the network service provider:

- Keeps commercially sensitive information confidential and only uses this information within the network business for the purpose that it was acquired or developed.
- Appropriately allocates costs between the network business and any associate or other business.
- Prevents discriminatory treatment in favour of an associate or other business, or against a competitor.

The ERA received proposed ringfencing rules from ADEWAP and Horizon Power, which were published on 23 August 2021 for consultation. The ERA received submissions from Alinta Energy and Horizon Power, which were published on 21 September 2021.

Further information

General enquiries

Kirsten Wren Ph: 08 6557 7955 info@erawa.com.au Media enquiries

Natalie Warnock

Ph: 08 6557 7933 | Mob: 0428 859 826

media@erawa.com.au