

Decision to Approve Proposed Mandatory Link Criteria Pursuant to the Electricity Industry Metering Code 2005

Submitted by Western Power and Horizon Power

8 September 2006

Economic Regulation Authority

 WESTERN AUSTRALIA

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Economic Regulation Authority website at www.era.wa.gov.au.**

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DECISION

1. On 23 June 2006, Western Power and Horizon Power submitted to the Authority proposed mandatory link criteria pursuant to clause 6.2 of the *Electricity Industry Metering Code 2005* (**Metering Code**).
2. Following further consultation with Metering Code participants Western Power and Horizon Power have submitted revised proposed mandatory link criteria to the Authority, which incorporated a number of amendments.
3. Pursuant to clause 6.13(1)(a) of the Metering Code the Authority is satisfied that the Western Power and Horizon Power have complied with clause 6.5 of the Metering Code.
4. Accordingly, the Authority has decided to approve the proposed mandatory link criteria.

REASONS

5. Part 6 of the Metering Code specifies the approval procedure for proposed documents under the Metering Code.
6. Clause 6.14 of the Metering Code states that the Authority must not approve a proposed document unless it is satisfied that the proposed document meets the criteria set out in clause 6.5.
7. Clause 6.5 of the Metering Code sets out the requirements for all documents, as follows:

6.5 Requirements for all documents

A document must:

- (a) comply with this *Code*; and
 - (b) not impose inappropriate barriers to entry to a market; and
 - (c) be consistent with *good electricity industry practice*; and
 - (d) be reasonable; and
 - (e) be consistent with the *Code objectives*; and
 - (f) be consistent with the *market rules*; and
 - (g) unless this *Code* requires otherwise, be consistent with other enactments.
8. The Authority considered the proposed mandatory link criteria submitted by Western Power and Horizon Power against the approval criteria set out in clause 6.5 of the Metering Code. The Authority considered all relevant matters including advice provided by McGill Engineering Services Pty Ltd.

9. The Authority invited submissions from interested parties on the proposed mandatory link criteria. No submissions were received commenting upon the proposed mandatory link criteria.
10. While the Metering Code does not require network operators to undertake a consultation process with Code participants, Western Power and Horizon Power consulted with retailers who have been participating in the development of other Metering Code documents. These retailers have endorsed the proposed mandatory link criteria.
11. The Authority has determined that the proposed mandatory link criteria complies with clause 6.5 of the Metering Code.