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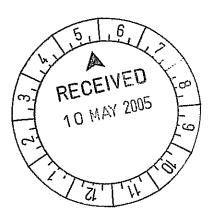
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10 May 2005

Mr Alistair Butcher A/Director - Electricity Access Economic Regulation Authority Level 6, 197 St Georges Terrace PERTH WA 6000



Dear Sir

## APPLICATION TO EXTEND TIME FOR WESTERN POWER CORPORATION (WPC) TO SUBMIT A PROPOSED ACCESS ARRANGEMENT FOR ITS NETWORK IN THE SOUTH WEST INTERCONNECTED SYSTEM

I am writing in response to your invitation to submit comment on the above application.

Newmont Australia is opposed to any further extension of time for the submission by WPC of the proposed Access Arrangement, access arrangement information and technical rules for its network in the South West Interconnected System.

WPC has been aware of the need to prepare and submit such information since the necessary empowering legislation was passed through the parliament of Western Australia last year. WPC staff participated in the preparation of the access code and the model access contract contained in the code. The code prescribes a period (6 months) for the preparation of the necessary information. Whilst acknowledging that the first access arrangements may be more difficult to draft, we note that the ERA has already permitted an extension of 40 business days (or 33% extra time), and believe that no further extensions should be provided.

Our understanding is that it is still planned to implement the new WA electricity market from 1 July 2006, and note that it is imperative that the new access arrangements be in place by the same date in order to allow the new market to function. Further extensions granted to WPC will only reduce the amount of time which network users and other interested parties have to comment on the proposed arrangements. The alternative appears to be a corresponding delay to the introduction of the market.

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Additionally, a number of parties are proposing major investment related to electricity in WA over the coming years, including those companies proposing to submit bids into the capacity auction scheduled by the IMO later in the year. Our understanding is that should a further 20 days extension be granted to WPC, capacity auction bidders may have had no opportunity to even sight the new access arrangements before committing to a bid. This seems a rather untenable situation.

In Newmont's case, we (with others) are considering a major gold mine investment in WA, which will be reliant on a SWIS network connection and scheduled to commence operation in early 2008. The potential 3 month delay in submission of proposed network access arrangements adds further uncertainty and possible delay to commitment to this project.

Newmont, whilst acknowledging that the Electricity Networks Code is framed to prevent indefinite delays, also notes the unfortunate experience of ongoing delays in the regulation of WA's gas networks, where access arrangements remain to be finalised after nearly 6 years.

Newmont submits that no further extension should be granted to WPC.

Yours sincerely

David Lyne

Manager Energy Services