

20 May 2010

Economic Regulation Authority



A full copy of this document is available from the Economic Regulation Authority web site at www.erawa.com.au.

For further information, contact:

Economic Regulation Authority Perth, Western Australia Phone: (08) 9213 1900

© Economic Regulation Authority 2010

The copying of this document in whole or part for non-commercial purposes is permitted provided that appropriate acknowledgment is made of the Economic Regulation Authority and the State of Western Australia. Any other copying of this document is not permitted without the express written consent of the Authority.

DECISION

- Pursuant to sections 9 and 21 of the Electricity Industry Act 2004 (Act), the Economic Regulation Authority (Authority) approves the amendment to Horizon Power's Electricity Integrated Regional Licence 2 (EIRL2). The amendment is for minor extensions to the operating areas within the following electricity licence areas:
 - Broome
 - Camballin
 - Derby
 - Exmouth
 - Halls Creek
 - Karratha
 - Meekatharra
 - Mount Magnet
 - Port Hedland
 - South Hedland
- 2. As required by section 23(1) of the Act, the Authority will publish a notice of its approval of the amendment in the *Government Gazette* as soon as is practicable.

BACKGROUND

On 5 March 2010, Horizon Power submitted an application to the Authority to amend EIRL2. The amendment proposal was for minor extensions to ten operating areas.

The reasons for the amendments to the operating areas are as follows:

- Horizon Power received an application from Indigenous Training WA (ITWA) to supply a training facility that is to be constructed at Burkes Park (affects the Halls Creek operating area);
- Horizon Power became aware of instances where its meters are located at the end of third party owned assets and, as a result, the relevant operating areas need to be extended to include these meters (affects the Broome, Derby, Karratha and Meekatharra operating areas); and
- an audit of EIRL2 disclosed instances where Horizon Power was providing services outside of its operating areas (this affects the Camballin, Derby, Exmouth, Karratha, Mount Magnet, Port Headland and South Headland operating areas).

Section 9 of the Act states that the Authority must not exercise a power conferred by Division 3 of the Act (general licensing provisions) unless the Authority is satisfied that it would not be contrary to the public interest to do so.

REASONS

- 1. Pursuant to section 21 of the Act, the Authority may amend a licence if the Applicant has made the application in a form approved by the Authority and paid the prescribed application fee. Horizon Power has satisfied these requirements.
- 2. On 12 March 2010, the Authority published a notice on its website seeking public submissions on the proposed amendments. The period for submissions closed on 1 April 2010 and no submissions were received.
- 3. In its consideration of the Application, the Authority considered the public interest, including the matters set out in section 8(5) of the Act as required by section 9(2). Accordingly, the Authority is satisfied that approval of the amendment to Electricity Integrated Regional Licence 2 would not be contrary to the public interest.

LYNDON ROWE CHAIRMAN