



Economic Regulation Authority

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NOTICE

Inquiry into the Funding Arrangements of Horizon Power

The Economic Regulation Authority (Authority), at the request of the Treasurer, is conducting an inquiry into the funding arrangements and operating and capital expenditure programmes of the Regional Power Corporation (Horizon Power). The inquiry was referred to the Authority on 17 May 2010, under section 32(1) of the *Economic Regulation Authority Act 2003*, which provides for the Treasurer to refer to the Authority inquiries on matters relating to regulated industries.

In accordance with the inquiry's [Terms of Reference](#), the Authority will determine the level of cost reflective retail tariffs that would apply in supplying electricity to Horizon Power's customers. In conducting the inquiry the Authority will consider and develop findings on the efficiency of Horizon Power's expenditure programmes and procurement processes, as well as suggest incentives to encourage Horizon Power to further improve performance.

In developing its findings, the Authority must examine the costs associated with each stage of the supply process and any additional costs that may be incurred as a result of the Carbon Pollution Reduction Scheme and the Mandatory Renewable Energy Target. A copy of the Terms of Reference is available on the Authority's website.

The Authority has published an [issues paper](#) to help interested parties understand the matters under review and to facilitate submissions. The issues paper and information on how to make a submission are published on the Authority's website. Submissions should be lodged no later than **4.00 pm (WST) on Friday 16 July 2010**.

After considering the responses to the issues paper, the Authority will publish a draft report for further public consultation. The final report for the inquiry is due to be delivered to the State Government by 18 March 2011, after which the Government will have 28 days to table the report in Parliament.

For further information contact:

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