

Our ref: MAD050
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Ms Elizabeth Walters
Manager Projects Access
Economic Regulation Authority
PO Box 6849
PERTH BC WA 6849

Via email: publicsubmissions@erawa.com.au

Dear Elizabeth

WESTERN POWER'S MID WEST ENERGY PROJECT (SOUTHERN SECTION)

Thank you for the opportunity to make a submission regarding the proposed development of additional transmission facilities to serve the Mid West Region (southern section).

The Independent Market Operator (IMO) is responsible for ensuring that the Wholesale Electricity Market (WEM) within the South West interconnected system can operate in accordance with the objectives set out in the Wholesale Electricity Market Rules. Key elements within the objectives are:

- The promotion of economically efficient and reliable electricity production;
- The encouragement of competition in both generation and supply; and
- Minimisation of long term costs to customers.

The IMO considers that the provision of adequate transmission capacity, developed in a timely manner, is one of the cornerstones for the ongoing successful operation of the WEM. If new generators are unable to be connected, and if new loads cannot select their supplier because of power transfer limitations, key market objectives will be unattainable.

Consultation undertaken by Western Power

The IMO considers that Western Power undertook a thorough consultation process, which included an additional briefing on this project for the IMO when we were unable to attend the Public Forum.

Alternative options identified by Western Power

The IMO has not analysed the various transmission upgrade options identified by Western Power. However, we wish to express strong support for the timely development of appropriate transmission enhancements in the Mid West Region that are necessary to:

- meet the future requirements of potential generators and loads; and
- continue to deliver reliable electricity to end users.

Yours sincerely

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JACINDA PAPPS
A/GENERAL MANAGER DEVELOPMENT

6 January 2010