



INFORMATION

Inquiry into the Funding Arrangements of Horizon Power

FINAL REPORT DELIVERED TO THE TREASURER

The Economic Regulation Authority delivered its final report for the Inquiry into the Funding Arrangements of Horizon Power to the Treasurer on 18 March 2011.

The inquiry followed a request by the Treasurer, in May 2010, for the Authority to establish Horizon Power's efficient level of costs to supply electricity to regional Western Australia.

In the final report, the Authority has determined the efficient level of costs which would be incurred by a prudent regional electricity service provider acting efficiently and in accordance with good industry practice. The Authority has determined, for the review period (2009/10 to 2013/14), values for Horizon Power's:

- efficient level of forecast operating and capital expenditures;
- rate of return on capital investment; and
- return of capital (depreciation).

From these elements the Authority has calculated Horizon Power's efficient cost to supply electricity to regional Western Australia and cost-reflective tariffs for each of Horizon Power's 34 electricity supply networks.

The Treasurer has 28 days after receiving the final report to table it in Parliament. Once the Treasurer has released the final report, it will be published on the Authority's [website](#).

For further information contact:

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