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PUBLICATION

Economic Regulation Authority's 2011/12 Work Plan

The Economic Regulation Authority (ERA) has today published on its website its <u>work plan</u> for the 2011/12 financial year.

The work plan sets out the activities that the ERA will undertake during 2011/12 associated with its key functions:

- Undertaking economic inquiries requested by the Western Australian State Government. In the coming year, the ERA expects to undertake an inquiry into the efficiency of Synergy's costs and electricity tariffs and an inquiry into tariffs of the Water Corporation, AQWEST and Busselton Water Board. In the past, the ERA has provided reports to Government on issues affecting the grain industry, chicken meat industry, transport sector, water resource management and provision of shared services within the public sector;
- Setting the terms and prices (access arrangement) that gas pipeline owners/operators and Western Power can offer companies wanting to use their infrastructure. While parties can negotiate other arrangements, an access arrangement sets the price and basic terms and conditions for a typical service if parties are unable to successfully negotiate an alternative service. In 2011/12 the ERA will be finalising the revision of an access arrangement for the Dampier to Bunbury Natural Gas Pipeline and commence a revision of the access arrangement for Western Power's Mid-West to South-West Gas Distribution system;
- Administering the licensing regime for the provision of gas, electricity and water services in Western Australia. In approving licence applications, the ERA ensures that licensees have the financial and technical capability to ensure they can offer customers specific levels of service. The ERA then monitors whether companies that provide these services comply with licence conditions and meet service standards;
- Reporting on the performance of licensees providing utility services to consumers;
- Monitoring the Wholesale Electricity Market where electricity generators and retailers can buy and sell electricity, to ensure the market is operating effectively; and
- Approving lower and upper limits between which railway owners (those who own the actual railway lines) can recover costs from railway users (those who own the trains).

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