



13 January 2016

Mr Alex Kroon
A/Principal Policy Officer
Markets and Regulation Division
Public Utilities Office
Department of Finance
Locked Bag 11
Cloisters Square
WA 6850

By email: alexander.kroon@finance.wa.gov.au

Dear Alex

Amendment to Electricity Industry Act 2004: Removal of electricity generation licensing

Alinta Sales Pty Ltd (**Alinta Energy**) is pleased to provide comment on the Consultation Paper drafted by the Public Utilities Office proposing an amendment to remove electricity generation licensing from the *Electricity Industry Act 2004 (Act)*.

Alinta Energy currently holds two Electricity Generation Licences (EGL6 and EGL10) and two Electricity Integrated Regional Licences incorporating a generating works component (EIRL6 and EIRL7).

Alinta Energy supports the proposal to remove from the Act the requirement under section 7(1) for persons constructing and/or operating generating works to have a licence.

Costs incurred by generation licensees in complying with licence obligations are considerable, particularly performance and asset management system audit costs. Given that generators are required to comply with other regulatory instruments, technical and market rules and contractual arrangements with network operators, the benefits of continuing to license generators is unlikely to outweigh the costs of doing so. Removing the requirement for generators to hold a licence will not affect their other compliance obligations.

Alinta Energy supports commencement of these changes on 1 July 2016.

If you have any questions concerning this submission please contact me on 9486 3191 or catherine.rousch@alintaenergy.com.au.

Yours sincerely

Catherine Rousch
Manager Regulatory Compliance
Alinta Energy