

5 February 2016

Mr Alex Kroon A/Principal Policy Officer Markets and Regulation Division Public Utilities Office Department of Finance Western Australia

Sent via email: puosubmissions@finance.wa.gov.au

Infigen Energy Limited Level 22, 56 Pitt Street Sydney NSW 2000 Australia T +61 2 8031 9900 F +61 2 9247 6086 T +1 214 515 1124

www.infigenenergy.com

Dear Alex,

Re: Consultation Paper - Amendment to Electricity Industry Act 2004 - Removal of electricity generation licensing

Infigen Energy welcomes the opportunity to participate in this consultation.

Infigen is a developer, owner and operator of renewable energy electricity generation assets in Australia. Its operational wind farms comprise a total of 557 megawatts of generation capacity, including the Alinta Wind Farm near Walkaway, Western Australia (Electricity Generation Licence 2, held by Walkaway Wind Power Pty Ltd, a subsidiary of Infigen). Infigen's development pipeline of wind and solar farms totals approximately 1,200 megawatts and includes the proposed Walkaway 2 and 3 wind farms.

Infigen supports the proposed removal of the legislative requirement to hold a licence to construct or operate electricity generating works. The current licensing approach duplicates other regulatory and commercial arrangements; the Consultation Paper sets this out clearly.

Infigen identifies the following costs as being directly related to the current obligation to hold a licence:

- Licence application charge:
- Costs associated with preparing a licence application;
- Annual licence charge;
- Standing charges;
- Fees paid to an external expert for conducting periodic performance audits and asset management system review costs; and
- Costs associated with developing and maintaining internal systems and processes to achieve licence compliance (over and above those already incurred to comply with existing regulatory and commercial arrangements).

Infigen submits that these extra costs do not provide public benefit and accordingly supports the Consultation Paper's recommendation that the requirement under section 7(1) of the Electricity Industry Act 2004 - for persons constructing and/or operating generating works to have a licence - is removed from the Act.



Should you have queries or request further information please contact Neil Raffan on (02) 8031 9900 or neil.raffan@infigenenergy.com.

Yours faithfully,

John McDonald
General Manager Energy Market Operations