

Government of Western Australia Energy Policy WA



## **Public Submissions Sought**

## **Electricity Networks Access Code 2004**

The Minister for Energy is seeking written submissions on a proposed amendment to the *Electricity Networks Access Code 2004* (Access Code) to extend the coverage commencement date for Horizon Power's Pilbara network from 1 January 2020 to 1 July 2020. Submissions must be provided to Energy Policy WA by 5:00pm (WST) on Wednesday, 11 December 2019. Electronic submissions are preferred and should be emailed to <u>submissions@energy.wa.gov.au</u>.

## Background

In August 2017, the then Minister for Energy, the Hon Ben Wyatt MLA, announced that the Western Australian Government intended to implement a light-handed regulatory regime to facilitate fair and reasonable access by third parties to the North West Interconnected System electricity network.

The objective of this reform initiative is to put in place a fit-for-purpose regulatory framework that can deliver better outcomes for electricity consumers and assist in driving economic development in the Pilbara region.

The reforms will be implemented by way of a Bill that amends the *Electricity Industry Act* 2004. Once the amending legislation is enacted, regulations and other subordinate instruments will be made to establish the detail of the light-handed access regime.

The Minister's Final Coverage Decision dated 2 February 2018, entitled <u>Coverage of the</u> <u>Horizon Power electricity network in the North West Interconnected System – Final</u> <u>Coverage decision</u>, indicated a coverage commencement date of Horizon Power's network in the North West Interconnected System of 1 January 2020.

As the regulatory instruments to implement the light-handed third-party access regime will not be in place by 1 January 2020, the default regulatory process under the Access Code will apply. This means that Horizon Power will be required to submit a proposed access arrangement to the Economic Regulation Authority within six months.

It is proposed that the implementation timeframe for the Pilbara electricity reforms is extended by amending the Access Code to change the coverage commencement date for the Horizon Power electricity network in the North West Interconnected System from 1 January 2020 to 1 July 2020.

Extending the coverage date to 1 July 2020 will provide additional time to implement the regulatory, policy and operational measures necessary to support effective third-party access and retail competition in the North West Interconnected System.

## Clauses

To implement this option, it is proposed that a new heading and section 3.1A be inserted into the Access Code:

When coverage starts for Horizon Power's Pilbara Network

- 3.1A Despite the date specified for this purpose in the Minister's final coverage decision dated 2 February 2018 and entitled "Coverage of the Horizon Power electricity network in the North West Interconnected System", that decision will have effect on 1 July 2020.
- {Note: The effect of section 3.1A is that coverage will commence on 1 July 2020, and the submission deadline will be 31 December 2020.}