

October 14, 2017

Utilities Office, Department of Treasury
Locked Bag 11
Cloisters Square, WA 6850

Attention: Minister for Energy

Coverage of the Horizon Power electricity network in the North West Interconnected System – Issues paper submission

Dear Minister,

We refer to the issues paper titled “Coverage of the Horizon Power electricity network in the North West Interconnected System” published by the Public Utilities Office, Department of Treasury on 15 September 2017.

TransAlta would like to thank the Minister for Energy for the opportunity to comment on the considerations raised in the issues paper.

In business in Australia since the mid-1990s, TransAlta Energy Australia specializes in the provision of power to remote mining operations through the development of long-term strategic relationships. We supply power to large-scale mining and processing operations, to the Wholesale Electricity Market, and to customers in the NWIS in Western Australia. Most recently, we have commissioned a 150 MW combined cycle Power Station in South Hedland.

In general, we are supportive of any move taken by the government to increase levels of competition in the marketplace. We consider there may be benefits to consumers and industry through increased levels of competition in the electricity marketplace for the NWIS region brought about by coverage of the Horizon NWIS Network.

In any coverage process, it is important that the decision maker weigh the costs associated with the regulatory change with the benefits received by those changes and we look forward to the Minister’s determination on this matter.

TransAlta trusts that, should coverage be granted, the resulting access arrangement will include appropriate protections for existing contract holders.

The Minister has recently announced a review and implementation of light handed electricity regulation for the NWIS region and, although that is a separate legal issue to this coverage application, TransAlta considers, to improve regulatory efficiency, there may be benefit in aligning the timing and outcomes of both that review and this coverage process.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Troy Forward', is written over a faint blue line.

Troy Forward
Manager, Commercial
TransAlta Energy Australia Pty Ltd