



TransAlta Energy Australia Pty Ltd

Level 2, Parmelia House
191 St. Georges Tce
Perth, WA 6000

Telephone: 618-9322-2101
Facsimile: 618-9322-2140
ABN: 40 062 135 844

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A/Assistant Director Licensing
Economic Regulation Authority
Level 4, Albert Facey House
469 Wellington Street
PERTH WA 6000

Dear Alex,

ELECTRICITY LICENCE REVIEW 2015 – DISCUSSION PAPER

TransAlta would like to thank the Economic Regulation Authority (the Authority) for the opportunity to comment on the Electricity Licence Review 2015 Discussion Paper, which was published by the Authority on 17 February 2015.

At this time, TransAlta Energy Australia Pty Ltd (TransAlta) has commented only on certain issues arising from the Authority's Discussion paper. The absence of a comment on any specific issue should not be taken to indicate that TransAlta supports, or does not support, that particular aspect of the proposed amendments to the electricity industry licensing templates.

3.10 Customer Transfer Code

"Compliance with the Transfer Code is currently a licence condition for ETLs, EDLs, ERLs and EIRLs (approved for transmission, distribution or retail services).

In some instances, upon application by licensees, the Authority has clarified within the licence itself that a licensee does not have to comply with the Transfer Code, as long as there is only one retailer supplying customers on the network."

TransAlta agrees with the Authority's comment that small standalone networks often differ substantially from the networks operated by the Electricity Corporations. Many of the licence regimes in place are designed for large users, servicing a multitude of end use customers. Several of the actual licence holders are companies operating non-covered networks that have been established to serve few users. They are likely to have in place complex power supply arrangements that deal with many of the concepts covered in the licencing regime.

TransAlta supports the Authority's recommends to include Schedule 2, Clause 1 from EDL4 (Newmont Power's distribution licence) to all relevant licences where a network has only one retailer operating on it.

3.11 Metering Code

The Metering Code applies to generators (EGLs), network operators (ETLs and EDLs) and retailers (ERLs). The Metering Code sets out the responsibilities of Code participants associated with the measurement of electricity and the provision of metering services and energy data.

"Where large customers are supplied, power purchase agreements often set out rights and obligations between network operators, retailers and customers in relation to metering." TransAlta believes that in these circumstances, compliance to the Metering Code should not be a condition imposed on the licensee. However TransAlta does understand that the Authority may find the task of applying individual exemptions to such licensees administratively burdensome. TransAlta therefore supports the Authority's proposal to manage compliance with the Metering Code through the audit process.

Should the Authority require further information, please do not hesitate to contact me on 9420 0628.

Yours sincerely,

Troy Forward