

Appendix A – Application Summary - Horizon Power application for amendment of licence area in Electricity Integrated Regional Licence EIRL2

## **Bentley Office**

18 Brodie Hall Drive Technology Park Bentley WA 6102

PO Box 1066 Bentley DC WA 6983

Telephone (08) 6310 1000 Facsimile (08) 6310 1010 www.horizonpower.com.au



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Economic Regulation Authority Level 4, 469 Wellington Street Perth WA 6000

By email: licensing@erawa.com.au

To whom this may concern

Application for amendment of licence area in Electricity Integrated Regional Licence EIRL2

## **Background**

- 1. Regional Power Corporation trading as Horizon Power ABN 57 955 011 697 (Horizon Power) is the holder of Electricity Integrated Regional Licence EILR2 (EIRL2).
- 2. The EIRL2 grants Horizon Power a licence for the "licence area" described in EIRL2 (Licence Area). The Licence Area is set out in plan ERA-EL-143 (Licence Plan).
- 3. Horizon Power is considering acquiring the energy generation and distribution assets on Rottnest Island (Rottnest Island Energy Assets) from the Rottnest Island Authority (RIA). If Horizon Power proceeds with the acquisition, it also intends to supply electricity to customers on Rottnest Island.
- **4.** Horizon Power and RIA are now working to investigate and effect the transfer of the Rottnest Island Energy Assets.
- **5.** By this letter, Horizon Power applies to the Economic Regulation Authority (**ERA**) for an amendment to the EIRL2. The amendment is to expressly include Rottnest Island in the Licence Area.
- **6.** Upon completion of the transfer of the Rottnest Island Energy Assets and assuming the ERA grants the amendments set out in this letter, Horizon Power intends to supply customers with electricity on Rottnest Island in line with its amended EIRL2.



- 7. Horizon Power makes this amendment application in accordance with section 21 of the Electricity Industry Act 2004 (WA).
- 8. Requested Amendments Horizon Power requests that the ERA amend the EIRL2 as follows:
  - a. Amend the Licence Area to include Rottnest Island; and
  - b. Amend the Licence Plan to specifically mark Rottnest Island as a "licence area", as illustrated in the map in Figure 1 enclosed with this application – in line with the identification of a "licence area" in the current Licence Plan, Rottnest Island is represented by an orange circle against the location of Rottnest Island in the map in Figure 1,

(together, the Requested Amendments).

## **Public interest**

- 9. Horizon Power is not aware of any detriments to the public interest that may arise from the Requested Amendments.
- 10. Horizon Power's acquisition of the Rottnest Island power assets is in the public interest as it ensures that, following the acquisition of the energy assets, customers on Rottnest Island will be supplied electricity by Horizon Power, on published tariff rates using its ERA approved Standard Form Contract.
- 11. On 22 April 2022, the Western Australian Government announced a \$54.8 million investment to upgrade energy infrastructure on Rottnest Island. Horizon Power intends to utilise this approved funding to design and install new generation and network infrastructure to supply Rottnest Island with reliable power, targeting a renewable penetration of greater than 75%.

Yours sincerely

**Evette Smeathers** 

**Executive General Manager Customer & Community** 



Figure 1 - Requested Amendment to Licence Plan

