



Government of **Western Australia**
Department of **Treasury**

Our ref : 2018/00605
RG : RG1646
Enquiries : Sandra Goodwin
Telephone : 6551 4777

Ms Kim Phan
Analyst
Public Utilities Office
Department of Treasury

FORMAL ADVICE ON REGULATORY IMPACT ASSESSMENT: COMPLIANT
NORTH WEST INTERCONNECTED SYSTEM

Thank you for your documents on the above proposal.

The Better Regulation Unit (BRU) notes that the proposal seeks to improve access to the operation of the Pilbara electricity network by providing the Minister with a light handed, fit-for-purpose option when granting access. We also acknowledge the intention to appoint an Independent System Operator, the purpose of which is to aid system efficiency and ensure that costs are evenly distributed.

It is clear from the information provided that substantial consultation has been undertaken to-date and we commend your commitment to conduct a Post Implementation Review of the new regime in October 2022.

Moreover, the BRU considers that the *Design Report* provided meets the objectives of a Decision Regulatory Impact Assessment, demonstrating the application of appropriate regulatory analysis in order to support evidence based decision making. We also note the additional effort put into better defining the implementation and evaluation strategy going forward. As such, no further Regulatory Impact Assessment is required.

Please ensure that the *Design Report* and this Compliance Assessment Notice is made publicly available on the Department website following Cabinet's decision on the proposal.

This letter should be retained as a record of the BRU advice. If you have any questions or comments please contact Sandra Goodwin on 6551 4777. Alternatively, you can also email the Better Regulation Unit at betterregulation@treasury.wa.gov.au.

The reference **RG1646** should be quoted in all future correspondence and compliance reporting on this proposal.



Andrew Dolling
DIRECTOR
ECONOMIC POLICY

10 April 2018