

10 March 2023

Mr Jai Thomas
Coordinator of Energy
Energy Policy WA
Department of Mines, Industry Regulation and Safety
via email EPWA-info@dmirs.wa.gov.au

Dear Mr Thomas

Re: State Electricity Objective Consultation

Thank you for the opportunity to provide feedback on the proposed drafting of the new State Electricity Objective planned for inclusion in the Electricity Industry Act 2002 (the Act).

ATCO supports the proposal to provide a consistent, overarching objective for the State's electricity regulatory framework, but considers a broader objective encompassing the whole of the energy system would be of greater value.

Electricity and gas markets are connected by their impact on consumers and should be considered in an integrated ecosystem to deliver energy to end users. Interactions between all energy sources can be utilised to balance pressures across all energy infrastructure to deliver efficiencies in the energy trilemma. A system wide ecosystem approach could potentially lead to a whole of energy solution that improves overall performance and efficiency for all energy assets at a lower cost to the end consumer.

The timing of this consultation is opportune to take into account proposed drafting and feedback on the inclusion of an emissions consideration in the national energy objectives. The consultation paper published in December 2022 included proposed drafting that acknowledged the need to connect both markets by their impact on consumers, particularly with respect to decarbonisation activities.¹

The current drafting of the Network Access Code Objective incorporates 'the environmental consequences of energy supply and consumption...'. We consider that adopting similar wording into the State Electricity Objective that incorporates the concept of energy rather than solely focusing on electricity will best facilitate consumers benefitting from efficiencies that consider both the gas and electricity markets through an integrated approach.

ATCO understands it is important for Energy Policy WA to identify the best way to incorporate consideration of other energy infrastructure into the State Electricity Objective whilst maintaining consistency with the approach adopted by the parallel consultation to the national energy objectives.

¹ Incorporating an emissions reduction objective into the national energy objective, Consultation paper, 20 December 2022, page 8

If you have any questions or would like to discuss any of these issues, please contact Kiran Ranbir, Manager Energy Policy and Government Strategy on 0432 158 656.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Ivulich', with a stylized, cursive style.

John Ivulich
Country Chair & Chief Financial Officer
Australia