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18 December 2014

Dear Sir/Madam

Stanwell Corporation Limited & Diamantina Power Station Pty Ltd - applications for authorisation A91448 & A91449 - draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the applications for authorisation lodged by Stanwell Corporation Limited & Diamantina Power Station Pty Ltd (the Applicants).

The Applicants both operate electricity generators which supply electricity to the North West Power System (NWPS) for use by an energy retailer and large companies, predominately mining operations. The NWPS is an isolated electricity generation and transmission network based in Mt Isa and is not connected to the national grid.

The Applicants are seeking authorisation of the technical and operational arrangements related to the operation of the NWPS. Specifically, the parties are seeking authorisation to agree rules related to the coordination of dispatch of generators, and demand management and load shedding of certain electricity consumers within the NWPS.

Please see the ACCC's publication <u>Authorisation process - the basics</u> for a summary of the authorisation process and how to make a submission to the ACCC.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to grant authorisation, subject to a condition, for five years.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **16 January 2015**. "Submissions should be emailed to <u>adjudication@accc.gov.au</u> with the subject "A91448 & A91449 – Stanwell & Diamantina – submission".

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **16 January 2015**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication <u>Guidelines for excluding information from the public register</u>.

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

29 August 2014	Lodgement of application and supporting submission.
18 December 2014	Draft determination.
December 2014 – January 2015	Public consultation on draft determination including any conference if called.
February 2015	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact me on 03 9290 1475 or adjudication@accc.gov.au.

Yours sincerely

Gavin Jones Director

Adjudication Branch