

8<sup>th</sup> March 2024

Economic Regulation Authority  
Level 4, Albert Facey House  
469-489 Wellington Street  
Perth Western Australia 6000

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](http://www.horizonpower.com.au)

Dear Sir/Madam,

**Horizon Power's submission on proposed amendments to ringfencing rules for the APA DEWAP's Port Hedland electricity network**

APA DEWAP Pty Ltd (ACN 058 070 689) (**ADEWAP**) submitted to the ERA proposed amendments to the ringfencing rules for the Port Hedland electricity network. Thank you for the opportunity to review and provide comments on APA's proposed amendments. This submission identifies several questions for the ERA's consideration as part of the approval process.

**A. Independent Audit**

As there is no legal separation between ADEWAP Network and ADEWAP Generation business ('other business'), there is a reliance by ADEWAP Network on operational or functional separation to mitigate the harms of anti-competitive behaviour and the protection of commercially sensitive information.

Horizon Power sees value in the APA ADEWAP ringfencing rules extending the requirements of an independent audit beyond compliance with Cost Allocations and to instead encompass full coverage of the ringfencing rules. This will ensure that not only measures associated with cost allocations are independently reviewed as being complied with, but also those that are implemented to ensure protection of commercially sensitive information and discriminatory behaviour.

**B. Compliance Manager**

Horizon Power appreciates the role of APA Group's Compliance Manager plays in ensuring that APA DEWAP's ring-fencing rules are met. Horizon Power queries if the ERA has considered the impacts of the location of this role within the APA organisational structure.

Yours sincerely,

**Horizon Power**