

Energy WA

Fuel Diversity Policy

Objectives

The Government aims to maintain a fair and open competitive market for power generation fuels in Western Australia, as it will:

- facilitate the sustainable supply of reliable, competitively priced electricity;
- underpin the competitiveness of Western Australian industry in global markets and the attractiveness of Western Australia as an investment destination;
- encourage investment in fuel supply options that can effectively compete in an environment of regulatory certainty, adequate information and realistic time frames; and
- provide the foundation for innovative, sustainable and competitive fuel industries that contribute efficiently to the economic, social and environmental health and growth of the State, especially in regional areas.

Strategies

The recent reform of the State's electricity industry is a key strategy in the Government's approach to this issue. To ensure that all fuel types compete on a consistent basis the new electricity market arrangements will:

- facilitate open and unbiased competition in electricity supply and hence in the upstream fuel industries;
- provide the basis for entry of new players into the market in a way that allows for fair competition between new and established generators and fuel suppliers;
- safeguard fair and reasonable conditions of network access for power producers through independent regulation of network access;
- provide for the timely publication of reliable demand and supply forecasts and procurement intentions; and
- facilitate increased use of renewable energy through removal of impediments to network access and targeted support schemes.

Government will work to ensure that regulatory regimes:

- are equitably applied;
- encourage efficient and timely investment in infrastructure;
- encourage efficient and timely development of fuel sources;
- provide long term certainty for investors in fuel supply industries; and
- do not result in any fuel type enjoying a competitive advantage or suffering disadvantage solely due to the regulatory environment.

The full text of the Fuel Diversity Policy is available on the Office of Energy website at <http://www.energy.wa.gov.au>.

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