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**SUBMISSION BY ENEABBA ENERGY Pty Ltd ON THE PROPOSED MAXIMUM
RESERVE CAPACITY PRICE FOR 2010 / 2011 CAPACITY YEAR**

We refer to the draft document of November 2007 and wish to make the following limited comments and observations.

Eneabba Energy Pty Ltd ("EEPL") has minimal comments as it appears that some items referred to in previous draft reports do not appear to have been addressed, particularly in a climate of a rapidly growing economy.

1. Turbine price

While the world turbine price handbook is a valid source, this is presumed to be a 'turbine only' price, which, in light of world demand should a valid price be of any use, the estimated price based on 'order book' must be the only valid base.

To give a price for a product that is due to be built in 2 years time appears to be inappropriate.

2. WACC

EEPL is still of the firm view that the WACC that is generated by the IMO for "W.A. conditions" is an esoteric calculation. The WACC that will be used by lenders and assessors of projects, will be done on a "use of money" basis, with any lender's credit committee having a standard yardstick. To believe that a special WACC will be peculiar to W.A. power industry is unrealistic.

3. Carbon Credits

With this subject so current and high profile, the complete absence of the cost / tax of carbon credits not even ranking as a cost factor requires consideration and definite inclusion in future drafts. Without this factor future Reserve Capacity Price data will be irrelevant.

Mark H Babidge
Managing Director

19 December 2007