

9 July 2019

Economic Regulation Authority  
Submitted via online submission portal

To whom it may concern,

### **SUPPORT FOR CONTINUATION OF SUBS TO MASTERS GAS METER PROGRAM**

Strata Community Association WA (SCA WA) is the only Western Australian association supporting the strata sector, with a membership that includes 370 strata managers, 95 strata management businesses, 215 individuals and businesses involved in providing services to the strata sector and 245 owners of strata property. Our membership of strata managers represents 115,000 strata lots that they have under their management.

We bring together people who manage strata schemes, live in strata communities and provide services for them. We also offer education, advice and advocacy to enable better understanding of strata rules, obligations and rights.

We are writing in response to the invitation for submissions on the ERA's draft decision and ATCO's response to the draft decision, specifically in relation to the Sub-meter to Master-meter program.

In its Draft Decision the ERA determined:

- **For AA4:** that the \$2.1 million sub-meter to master meter program should not be rolled into the regulatory asset base of AA5 because the program was not included in the ERA's AA4 final decision forecast, the program is not related to the new connection expenditure over AA5, and does not represent new services that need to be provided [Para 327 of the Draft Decision].
- **For AA5:** that the \$2.8 million for sub-meter to master-meter conversion project does not meet the criteria for inclusion in the projected capital base because insufficient information is available on the sub-meter to master-meter conversion project to satisfy the criteria for inclusion as conforming capital expenditure [Para 576 of the Draft Decision].

In ATCO's response to the ERA's draft decision ATCO provided further information in support of the program, including:

- Identifying that the program addresses real safety and reliability issues for strata communities;
- Allowing people who live in strata communities to have the ability to choose their own retailer and have access to the discounts being offered by retailers;

- Recognising that the owners of strata property may be required to make a capital contribution to the program thus avoiding imposing additional costs on ATCO's other customers.

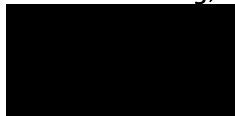
We write in support of the continuation of the Sub-meter to Master-meter program which we believe provides the following benefits to owners of strata property:

- **Reduced costs to owners and residents:** Sub-meter administration costs are removed and ongoing maintenance costs are reduced, and with access provided to retail competition lower gas prices can be achieved;
- **Improvement of property safety:** With a large number of ageing strata schemes in WA, this program presents an opportunity for old gas infrastructure to be replaced at a greatly reduced cost to the owners and ensures adequate ongoing maintenance handled by a qualified third party rather than being reliant on the property owners to arrange;
- **Increased gas capacity:** Over time the needs of residents evolve and this can include the installation of additional appliances or upgrades to new appliances. As we understand it this program can provide buildings with increased gas capacity to assist with changing demands;
- **Improved reliability/ reduced disruption:** Moving from a sub-metered system to master meters means that maintenance can be carried out to individual units without shutting off the gas supply to the whole building, avoiding impacting all residents.

For the above reasons we believe the availability of this program is highly beneficial to owners and residents of strata property in WA and hope to see the program continue.

Please don't hesitate to contact me should you have any queries.

Yours sincerely,



**Kara Grant**  
**General Manager**