

NOTICE

Call for Submissions on Proposed Guide for Preparing the Financial Information Component of the Asset Management Plan

The Economic Regulation Authority as the regulator responsible for administering licensing schemes under the *Electricity Industry Act 2004*, the *Energy Coordination Act 1994* and the *Water Services Licensing Act 1995* is seeking public comments on a Guide for Preparing the Financial Plan Component of Asset Management Plans.

It is a condition of every licence other than a trading or retail licence that electricity, gas or water service providers (licensees) are to provide for an asset management system and notify the Authority of details of the system and any changes to it. Licensees are also required to provide the Authority with a report by an independent expert as to the effectiveness of the system.

A financial plan is an important component of the licensee's asset management system which brings together the financial elements of the system to ensure the organisation's financial viability over the long term.

The approach to infrastructure asset management set out in the International Infrastructure Management Manual – Version 3.0, 2006¹ (IIMM) provides a “best practice” framework for the management of the infrastructure assets operated by small electricity, gas and water licensees. The IIMM contains a number of examples and case studies on how the principles of asset management are applied in practice.

The Authority has published this guide to assist smaller electricity, gas and water licensees to prepare and maintain a financial plan for their infrastructure assets. The guide draws on the financial planning and reporting methods set out in section 3.7 of the IIMM, in particular, lifecycle costing, asset valuation and depreciation and long-term financial forecasting.

Interested parties are invited to comment on the detail of the proposed guide. This guide is available on the Authority's website at www.era.wa.gov.au.

¹ International Infrastructure Management Manual – Version 3.0, 2006. ISBN No: 0-473-10685-X

Submissions should be in both printed and electronic form and should be received by **4:00pm WST on Friday 18 August 2006**, addressed to:

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Confidentiality

In general, all submissions from interested parties will be treated as in the public domain and placed on the Authority's website. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission in respect of which confidentiality is claimed, and specify in reasonable detail the basis upon which the claim is made.

The receipt and publication of any submission on the Authority's website shall not be taken as indicating that the Authority has knowledge, either actual or constructive, of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority in these circumstances.

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24 July 2006