



Shire of York

## **SUBMISSION**

Matters Relating to Western Power's Revised Proposed Access Arrangements for the South West Interconnected Network.

1. **Reductions in Contracted Capacity**

The Shire of York supports the principles of efficient and effective use of power supplies and the ability to terminate, transfer or re-allocate unused capacity is a necessary management tool.

Unused capacity should not be able to be used to hinder or restrict business competition or new business even if Western Power is being paid for the unused power component.

It is contended that any consideration of unused capacity should be broader than the supplier and user under the access contract to ensure that any re-allocation or re-use is sustainable in the locality.

Local Governments should be a party to any proposals to terminate or re-allocate to ensure that all relevant planning and other approvals are in place.

The unilateral power to terminate or reduce supplies may be needed as a final resolution of disputes over unused capacity but it should not be the first and only step.

One issue not addressed is compensation for infrastructure paid for or provided by the consumer e.g. transformers, poles and lines to connect to and utilise the service. Will Western Power refund the expenditure if there is a decision to terminate or re-allocate the unused capacity.

2. **Treatment of Capital Contributions**

No comment.

3. **Headwork's Charges**

Headwork Charges and contributions would simplify the system for landowners and developers in rural areas if future development patterns are known and programmed.

If Outline Development or Structural Plans are prepared the power grid and other services such as water and telecommunications can be overlaid and a per lot contribution calculated and levied in the planning process.

Unilateral Government decisions can negate this opportunity as evidenced by the Draft Country Towns Sewerage Policy which effectively rezoned land in rural towns from R10 to R5 without consultation or compensation. This decision has significantly increased development costs and reduced investment returns and eroded the potential customer base of service providers such as Western Power.

Headwork Charges under a defined and approved Structure Plan would be appropriate for rural towns experiencing growth and development. They may not be appropriate for towns with declining populations and a lack of land demand.

Business planning for land development would be simpler with specific fees designated.

If further information is required please contact Ray Hooper on (08) 9641 2233.

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cc SEAVROC