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# **NOTICE**

# New facilities investment test for Western Power's 66/11 kV medical centre zone substation

#### FINAL DETERMINATION

The Economic Regulation Authority has released its <u>final determination</u> on Western Power's application for a new facilities investment test (NFIT) for the proposed medical centre zone substation expansion at Sir Charles Gairdner Hospital.

The Authority determined not to approve the application as it considered Western Power's total forecast new facilities investment of \$28.4 million was more than would be invested by a service provider efficiently minimising costs. The Authority estimated this to be \$25.5 million.

The company's application for a new facilities investment test was submitted under the *Electricity Networks Access Code 2004*.

The Authority's assessment also indicated that a greater amount of new facilities investment than claimed by Western Power may be considered to satisfy the NFIT, which will impact on the amount of capital contribution that Western Power can charge under the Access Code.

In making its final determination the Authority considered Western Power's pre-approval application, submissions received from interested parties and independent advice from the Authority's technical advisor. These documents are available from the Authority's web site.

For further information contact:

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