

Your Ref: D/2009/07553
Our Ref: DM#: 6214266
Contact: Margaret Pyrchla

30 June 2009

Paul Kelly
Chairman
Electricity Code Consultative Committee
Level 6, 197 St Georges Terrace
PERTH WA 6000

Dear Mr Kelly

Response to Request for Comment from Interested Parties

Thank you for the opportunity to comment on the proposal to introduce a service standard payment to promote streetlight fault reporting and to encourage Western Power to meet its published service standard timeframes for fault repairs.

Western Power currently relies on the public to report streetlight faults and is aware and shares your concerns of streetlights going unreported. Western Power suspects around 5-10% of faults are not being reported. To this end, Western Power is considering the reintroduction of streetlights night patrols.

As part of ensuring that Western Power meets our published service standard timeframes, Western Power has already implemented an agreed goodwill payment scheme with Synergy for **all** streetlights repaired outside of the service standard, 5 working days (metropolitan) and 9 working days (country). It is our understanding that Synergy in turn makes a payment to the Local Government Authorities.

For your information, streetlight faults that are not repaired within our standard timeframes are generally due to:

- Delays associated with traffic management requirements,
- Cable faults – investigate, schedule work crews, obtain access permits,
- Related Network augmentation – Asset Relocation (eg: road widening), State Underground Power Program, and
- Stock related delays, eg: obsolete stock, decorative stock not held on shelf.

Please also note that Western Power has taken the following steps to improve our streetlight service and service standard:

- Established a dedicated streetlights team to take ownership and single point accountability for the streetlight service.
- Implemented new IT systems, which included automated dispatching of reported streetlight fault to crews and the generation of several new reports to monitor and improve our service performance.
- Established new maintenance contracts that provide incentives for repairing streetlights within the service standard.

Whilst there is always room for further improvements, Western Power has managed to improve its streetlight repair compliance performance in the last 12 months by around 10% as a result of the above initiatives.

Western Power is continuing to focus on improving the service standards. Our next steps include:

- Rationalising the streetlight product range.
- Further modification to the contracting model that will generate innovation, including working through initiatives that impact the service standard such as the reintroduction of a streetlight fault inspection program.
- Further enhancements to the IT systems to reduce fault data handling including:
 - Improving fault data capture to enable better filtering of duplicate faults that currently result in inefficient resource usage.
 - Possible introduction of Personal Digital Assistant (PDA) for work crews.

Western Power believes that the introduction of a service standard payment scheme is unnecessary for the following reasons:

- Western Power is committed to improving the streetlight service performance.
- Western Power is already considering the reintroduction of streetlights night patrols.
- Western Power has already established a goodwill payment scheme with Synergy that passes payments ultimately back to the Local Government Authorities.
- It will introduce an increased administration burden and cost on Western Power.
- A \$20 per day payment does not reflect the current streetlight service charge of approximately \$0.19 per lamp per day.
- The current streetlight service charge is not cost-reflective of the actual cost of service and therefore additional costs are unlikely to provide a 'positive incentive'.
- Further derogation in service standards is possible as funds are diverted to the payment.

- It will necessitate the removal of the existing service standard goodwill payment scheme, and
- Potentially encourage vandalism.

Western Power is committed to improving its service standard in a sustainable, responsible and responsive manner. Western Power believes it is addressing the current streetlight concerns in a prudent and cost effective approach and feels that a service standard payment is unnecessary.

Accordingly, Western Power does not support the introduction of a \$20/day service standard payment scheme.

Please do not hesitate to contact Margaret Pyrchla on 9326 4535 if you have any questions.

Yours sincerely,

Doug Aberle
Managing Director

cc: Mark de Laeter, General Manager, Customer Services Division