

14 January 2011

Inquiry into the Funding Arrangements of Horizon Power
Economic Regulation Authority
PO Box 8469
PERTH Business Centre
PERTH WA 6849

-TO WHOM IT MAY CONCERN-

SUBMISSION TO THE INQUIRY INTO THE FUNDING ARRANGEMENTS OF HORIZON POWER

The Shire of Carnarvon would like to take this opportunity to make known its views regarding Horizon Power's funding in response to the points made in the Economic Regulation Authority's Draft Report on the Inquiry into the Funding Arrangements of Horizon Power.

While the Shire does not have a position on the economic principles upon which Horizon Power's funding is determined, the Shire is firmly of the view that Horizon Power should be adequately funded to be able to continue the work it has undertaken in the past five years.

Prior to the formation of Horizon Power, power infrastructure in Carnarvon, like most regional towns, had deteriorated under a regime that largely ignored or poorly understood the needs of growing but isolated regional communities.

One of the first acts of Horizon Power when it was formed in 2006 was to reopen the Carnarvon Depot to customers in the town. While possibly a symbolic gesture at the time, since then the benefits of Horizon Power's management presence in Carnarvon have been very obvious.

Horizon Power and the Shire of Carnarvon have been able to develop a strong functioning relationship based on a mutual understanding of the development needs of the town and community.

Working with Horizon Power, the Shire has successfully part completed a beautification and restoration project that included the cooperative undergrounding of power supplies on the town's waterfront. Not only has this improved the amenity of the town, it has also improved the reliability of power supplies in this area which had, for a long time, been subjected to the impacts of the coastal environment. This program has attracted a funding contribution from the Shire of Carnarvon, a position the Shire has committed to until the completion of the project.



More recently, Horizon Power's management presence in Carnarvon was a significant factor in the town being able to manage the impact of the 2010 Christmas-time floods. So impressive was Horizon Power's efforts that the business' District Business Manager, Mr Mark Bruce, has been asked to head up the Shire's Infrastructure Sub-Committee charged with the redevelopment of the most damaged infrastructure of the Shires of Carnarvon and Upper Gascoyne. This role was heavily reliant upon local knowledge of the districts affected by the flood, which Mr Bruce and his Horizon Power staff possess.

It is the Shire of Carnarvon's very firm belief that the funding made available to Horizon Power should be adequate for the business to continue to operate in the agile and engaged way it has since its formation for the betterment of regional Western Australia.

Yours sincerely



Maurice Battilana
CHIEF EXECUTIVE OFFICER