



CONSULTATION

New Facilities Investment Test Application for Overhead Customer Service Connections

INVITATION FOR PUBLIC SUBMISSIONS

The Economic Regulation Authority is seeking public comment on an application from Western Power to include an amount of new facilities investment associated with its proposal to replace overhead customer service (**OCS**) connections into its regulated asset base (referred to as a “New facilities investment”). The work is estimated to cost \$71.1 million and involves the replacement of 104,600 potentially unsafe OCS connections and the inspection of all OCS connections over the period from 1 July 2009 to 30 June 2012.

Western Power’s application was submitted under section 6.71(b) of the *Electricity Networks Access Code 2004* (**Access Code**).

ISSUES PAPER

The Authority has prepared an issues paper to assist interested parties prepare submissions. This paper is not intended to be an exhaustive review of Western Power’s application at this point in time, or the matters that the Authority will address when making its decision on the application.

The [issues paper](#) and [Western Power’s application](#) are available on the ERA’s [website](#).

INVITATION TO MAKE A SUBMISSION

Interested parties are invited to make submissions in print and electronic form on Western Power’s application by **4:00 pm (WST) on Tuesday, 22 March 2011**.

Submissions should be marked to the attention of Manager Projects Access.

Postal address: PO Box 8469, PERTH BC WA 6849
Office address: Level 6, 197 St Georges Terrace, PERTH WA 6000
Email address: publicsubmissions@erawa.com.au

In general, all submissions from interested parties will be treated as being 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 for which confidentiality is claimed, and specify in reasonable detail the basis for the claim. Any claim of confidentiality will be considered in accordance with the provisions of sections 14.12 to 14.15 of the Access Code.

The publication of a 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.

NEW FACILITIES INVESTMENT TEST

“New facilities investment” is the capital cost of developing, constructing and acquiring a new facility to enable the utility to provide covered services.

The new facilities investment test determines whether, or to what extent, investment associated with a new facility can be added (rolled in) to the regulated asset base of a covered (regulated) network and recovered through network tariffs.

Under the Access Code, a service provider may at any time apply to the Authority to conduct a new facilities investment test in relation to actual or forecast new facilities investment. On receiving an application, the Authority must make and publish a determination within a reasonable time after having consulted with the public.

For further information contact:

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LYNDON ROWE
CHAIRMAN

8 March 2011