

To whom it may concern

I wish to comment yet again on the Mid West Augmentation project.

I have lost count of the number of occasions on which I have had reason to comment on this proposal, and I am probably one of the few lay people who have been prepared to navigate the sheer volume of documents that it is necessary to read to gain any sense of the state of consideration of the proposal. I note that the ERA has now received two consultants reports considering aspects of the investment test.

From these reports came a variety of useful suggestions such as:

- Revisiting parts of the regulatory test, even though this would not result in a change in the outcome of the investment test;
- Western Power is too risk averse when it comes to energy safety, and risks could be better and more cheaply managed through its long term maintenance program (that has worked well in the past);
- That the Three Springs to Karara line should be discounted in value because it can't be used to capacity until the augmentation is done (though what Karara was supposed to do in the interim is unclear);
- That the emerging Magnetite Industry will go into decline in 20 years time even though it has a lower carbon footprint than haematite, is the preferred feed for the next generation of steel mills, has the primary customers as major investment partners, and this advice is contrary to reliable advice from other sources. The iron ore industry barely paused during the global financial crisis and is probably the least volatile mining commodity there is. Based on this advice though we should discount the period over which return are measured? This region has two magnetite projects with lifespans of at least 40 years.

Western Power has been careful to exclude benefits that will accrue North of Three Springs, because there will be further investment required to shore up supplies for the Boom Town of Geraldton, and the flagship Oakajee project, as this project stand alone without that demand. The Northern Section will however be dependent on the southern section.

The entire process fails to take account of the wider economic benefits, and only takes account of the return to Western Power as an infrastructure provider and still it stacks up. It is past time to get on with the project.

Please contact the undersigned if you require any further information.

Stan Scott

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