

S U B M I S S I O N

From the Shire of Cranbrook

On Matters Relating to Western Powers Revised Proposed Access Arrangement for the South West Interconnected Network

1 Reductions in Contracted Capacity

Our major concern relating to this issue is that; due to the lack of forward planning during augmentation of the network, the practice of contracting excess capacity to address future power requirements can be seen as prudent management for the individual network user.

Future planning of network capacity can avoid many situations when users over estimate their capacity to satisfy their future requirements as a risk management strategy for their businesses. They are aware that the costs and time involved with getting an augmentation implemented are prohibitive and, especially in the case of new and rapidly developing businesses it seems reasonable to them to 'future proof' their electricity needs.

It seems unreasonable to expect a business to surrender this capacity (which they are paying for) if the network cannot react in a timely and cost effective manner when demand increases.

The Shire of Cranbrook has within its boundaries several rapidly growing companies that have already contributed to the augmentation of the network, however the lines are always working at capacity and any future development requires contributions on an individual user basis. Planning of future use would be a far more cost and time efficient mode of operation, creating benefits for Western Power as duplication and repetition of work is minimised.

The ability for Western Power to unilaterally reduced contract capacity does nothing to address the situation that creates this issue and further thought and consideration needs to be given to providing a strategic approach augmentation of the user network capacity.

3 Headworks Charges

As a remote Shire with developing industries, we feel headworks charges of any kind, regardless of how they are structured act as a negative impact on our economy.

Metropolitan users, due purely to their location, are paying far less in headworks charges than regional enterprises. However, neither enterprise is more profitable than the other due to location so these charges are inequitable.

Based on this inequity, regional headworks should be heavily subsidised, creating a 'level playing field'.

Whilst the State government does have a funding programme for headworks, this is very limited in funds available and scope of the funding as well as competitive – this assistance should be given direct to the essential service providers to subsidise all regional works.

We would also like to bring to your attention that the cost of infrastructure to provide essential services should be at the cost of the provider. Consumers, domestic or commercial are paying for the provision of electricity, not the infrastructure and as such we do not support headworks charges in any shape or form.