



Shire of Dardanup

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Mr Robert Pullella
Executive Director Competition, Markets and Electricity
Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

Dear Sir

RE: WESTERN POWER'S SOUTH WEST INTERCONNECTED NETWORK - SUBMISSION

Thank you for the opportunity to make a submission to Western Power's revised proposed access arrangements to the South West Interconnected Network.

The following submission follows the format of the points that this office wishes to make in relation to the matters arising rather than the sequence proposed by the ERA.

1. Power Supply to New Subdivisions

As the ERA would be aware, Western Power with the support of the Western Australian Planning Commission (WAPC) continues to place conditions on the subdivision of rural land (outside town sites) that the property shall be connect to 22kva power from Western Power's power supply. This condition effectively requires the developer of all land no matter how many lots are created to extend the network from the nearest point to the property in question. In some cases the power supply is already in close proximity or adjacent but is not 3 phase. The requirement to extend and or upgrade the network to meet Western Powers requirements is a fatal flaw to any small subdivision.

The WAPC and Western Power do not encourage the use of alternative sources of energy such as solar, wind or diesel generation, each are in many cases far more practical and economical for small lot developments.

It is submitted that the condition on subdivision approvals in relation to power supply to properties outside of established townsites should be flexible to enable the land owner the option of providing their own power by use of alternative energy sources.

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The protection of Western Power against future claims for extension of the network at the suppliers cost can be afforded by placing a memorial on the land title advising that connection to the Western Power network at any time will be at the land owners cost. This way subsequent land owners not interested in the use of alternative power supply sources are made aware of the potential costs when buying a property.

The Shire of Dardanup is currently developing a Structure Plan to control the future development of the locality of Wellington Mill, the Structure Plan will allow the subdivision of approximately 20 lots, land under the ownership of six different persons all with different timelines for realizing the subdivision of their land.

The WAPC and Western Power have required the following condition be placed on the subdivision of all of the land with the Structure Plan area:

"The existing 12.7Kv power supply which services this area is not sufficient to cater for further subdivision. Subdividers should be aware that connection to the 22Kv line is to be at subdividers cost"

The network 3 phase power is 3 kilometers from Wellington Mill, therefore the first person to subdivide their land, which may be one lot, per this condition and Western Power policy would be burdened by an unacceptable cost that will provide Western Power with new infrastructure that then can be used to connect further users in the future. The burden of this cost will result in none of the land being developed.

2. Contributory Scheme

The Shire of Dardanup supports the reintroduction of the Western Power Contributory Scheme. The Scheme, provided the opportunity for more remote properties to connect to the network at a proportionate cost shared with as yet unknown future users of the network.

The advantage of this scheme is to not burden the first new landowner with the full cost of the infrastructure. As the owners of the infrastructure, even though it is paid for by the user, Western Power manages the collection of the agreed cost from all users as they apply to connect to the network.

This will allow development to continue and will encourage further development as the user pays the cost.



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Conclusion

Whilst this submission is not specific to the purposes that the ERA had set out to achieve in the notice for submissions in their assessment of Western Power's proposed access arrangements for the South West Interconnected Network (SWIN), we do believe the points raised are highly relevant to the objective of reducing the cost to the network users and in turn promote the continued development of land on a small scale within the rural areas of this state.

We are interested in the outcome of the ERA review and a response to our submission and thank you once again for the opportunity to comment.

Yours sincerely

MR MARK L CHESTER
Chief Executive Officer