



# Notice

15 April 2026

## Western Power regulatory test application for Baldivis Zone Substation

### Determination

The Economic Regulation Authority has determined that [Western Power's proposed augmentation to build a new zone substation in Baldivis satisfies the regulatory test](#) under Chapter 9 of the *Electricity Networks Access Code 2004*.

Western Power submitted that the investment is needed to address increases in demand in the Baldivis, Waikiki and Mandurah areas. Western Power considered a range of options, ultimately deciding that its preferred option is a new zone substation in Baldivis.<sup>1</sup>

As the proposed project falls within the definition of a “major augmentation” under the Access Code 2004, Western Power submitted an application to the ERA on 6 February 2026 to determine whether the “regulatory test” has been satisfied.

The regulatory test determines whether the proposed augmentation to the electricity network is the best way of overcoming constraints in the wider electricity system.

Western Power must not commit to a major augmentation before the ERA determines that the regulatory test is satisfied.

The ERA published an issues paper on 20 March 2026, inviting public submissions. No submissions were received.

Our determination on Western Power's proposed major augmentation is limited to the scope of the regulatory test under Chapter 9 of the Access Code. It only determines whether Western Power has demonstrated that the proposed Baldivis zone substation maximises the net benefit compared with other options and it is now able to commit to the project.

The regulatory test is not a determination of whether the proposed costs for the project are efficient and can be passed on to customers. The efficiency of the project will be assessed as part of the next access arrangement review.<sup>2</sup>

The regulatory test approval also does not provide planning, environmental or other approvals that fall outside the functions of the ERA. Western Power will need to ensure that it complies with all such

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<sup>1</sup> Zone substations take high-voltage electricity from the transmission network and convert it to a lower voltage that can be sent through the distribution network.

<sup>2</sup> Western Power is due to submit its next access arrangement proposal (AA6) to the ERA in February 2027. The ERA's review of the access arrangement will include a determination of whether Western Power's expenditure meets the new facilities investment test.

requirements. Western Power has stated that, if the project proceeds, it will work closely with the City of Rockingham to ensure architectural, noise and landscaping options chosen are suitable for the proposed facility.

**Further information**

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