

WESTERN POWER, BUDGET ALLOCATION

1634. Mr M.G. House to the Minister for Energy

- (1) I refer to the completed works on page 216 and ask -
 - (a) how much was spent in 2002-03 on Western Power's program of steel reinforcing every power pole on the Minnivale feeder line from Cunderdin to north of Koorda;
 - (b) which line item in the budget does this allocation fall under;
 - (c) is there any work remaining that must be funded from the 2003-04 budget;
 - (d) if so, what is the budgeted allocation; and
 - (e) has there been any allocation to ensure the reliability of supply of all lines in the South West Interconnected System?
- (2) What is the allocation in 2003-04 and in what towns will the work begin as part of the four-year program of siliconising insulators across the South West Interconnected System to mitigate the incidence of pole-top fires?
- (3) Will the Minister state the line item under New Works on page 216 that accounts for the \$3 million, three-year project to further steel reinforce three-phase feeders in the Kondinin district, as well as high priority spur lines, and state how much will be spent on this in 2003-04?
- (4) I refer to the Completed Works allocation on page 216 and ask -
 - (a) how many instances of work were carried out by Western Power as a result of more than 300 complaints to the Energy Safety Directorate;
 - (b) what was the cost of each action; and
 - (c) has an allocation been made in 2003-04 for this matter?
- (5) I refer to the Capital Contribution table on page 216, and specifically to the capital works program allocation of \$395.4 million, and ask -
 - (a) how much of this will be spent on regional power supply distribution and maintenance in 2003-04; and
 - (b) how much was allocated for this purpose in each financial year from 2000-01 to 2002-03?
- (6) I refer to the third dot point under Capital Works Program - Transmission on page 215 which states that other expenditure provides for the construction of new lines and substations, and upgrades and enhancements to existing lines, protection systems and communications facilities and ask -
 - (a) specifically where and when these new lines and substations will be constructed; and
 - (b) what has been listed for upgrading and enhancement?
- (7) Will the Minister state the reason for the continuing decrease in the total cost of the capital works program, as shown in the Capital Contribution table on page 216, from the 2002-03 budgeted amount of \$444.3 million across the 2003-04 allocation of \$395.4 million to the 2005-06 forward estimate?
- (8) Will the Minister state the reason for the increase in the size of Western Power's dividend to the Government, which was \$116.3 million in the 2002-03 estimated actual and is listed as \$124.5 million in 2003-04, as shown on page 222 of the Economic and Fiscal Outlook?

Mr E.S. RIPPER replied:

- 1)
 - a) Western Power made a commitment to reinforce every three-phase pole on the Minnivale Feeder. This program has been completed, at an estimated cost of \$250,000.
 - b) The budget relates to Western Power's capital expenditure program for 2003/04. This allocation came from Western Power's 2002/03 budget.
 - c) The program to reinforce all single-phase power poles in the wider area will run for three years at an approximate cost of \$3M.
 - d) There is an allocation of \$1M in the 2003/04 capital budget for this work.
 - e) Western Power is undertaking a range of projects which will improve the capacity of power supplies across the South West Interconnected System and is implementing an expanding

program to enhance regional supply reliability. The major individual capital projects exceed \$70 M and include substantial reinforcement to:

Wongan Hills;
Cataby/Eneabba; and
Busselton.

A further major project, to upgrade supply to Bridgetown and Manjimup at a cost of \$25 M, has been approved and the process of achieving environmental approvals is underway.

The major works outlined above, coupled with substantial smaller projects across the South West Interconnected System, aim to deliver increased capacity and reliability of electricity supplies. These projects are in addition to the Corporation's ongoing maintenance. Western Power's allocation for rural system maintenance has trebled to \$27 M in the past three years.

- 2) The four-year program for silicone-treating has begun, and is expected to cost about \$6.7M in operating expenditure (no capital provisions necessary). The overall program will cover mainly metropolitan coastal areas and regional towns, initially the Geraldton and Dongara areas, with about \$1.3 M budgeted for 2003/04 works.
- 3) Refer to 1c).
- 4) Western Power has and will continue to work with rural communities and the Energy Safety Directorate to identify key areas of concern and develop works programs aimed at improving reliability of electricity supplies across the State. Western Power has committed to reviewing major rural systems identified in the Director of Energy Safety's report (Toodyay, Koorda, Bremer Bay, Narembeen, and Corrigin by end of June 2003. Western Power has addressed some of the issues raised by Wheatbelt residents at forums such as the Koorda meeting in January, 2003. This includes the steel reinforcing program described in the answer to 1).
- 5)
 - a) \$395.4 M represents Western Power's total capital allocation for 2003/04 which includes major non-network programs such as Cockburn 1 Power Station. In 2003/04, within the South West Interconnected System Western Power will allocate \$18.6 M in distribution capital to regional areas and a further \$29.4 M in maintenance funding to regional areas of the South West Interconnected System.
 - b) Historic capital expenditure in regional areas of the South West Interconnected System has been \$11.9 M (2000/01), \$14.3 M (2001/02) and \$14 M (forecast 2002/03). It is important to note that the cyclical nature of capital expenditure makes it difficult to compare figures across financial years.

In addition, historic maintenance expenditure in regional areas of the South West Interconnected System has been \$11.6 M (2000/01), \$20.9 M (2001/02) and \$27.8 M (forecast 2002/03).
- 6) Planned capital works projects for the 2003/2004 financial year are outlined in the tables attached. These are in addition to the projects outlined in the answers to 1) and 2). Western Power has a range of other capital works projects at various stages of development.

- a) New lines and substations

Line	Estimated Completion Target
Pinjar to Cataby to Eneabba 132kV line	Summer 2005
Muja to Bridgetown 132kV line	Summer 2005
Conversion of line sections to 132kV and associated works in the Rivervale area	Summer 2005
Construction of lines associated with the WAGR Beckenham 132kV supply	Mid 2004
Construction of Southern Terminal to Cannington Terminal transmission line	Summer 2005
Construction of the Waterloo to Busselton line and associated works at Busselton	Summer 2004
Meadow Springs site acquisition for a new substation	Mid 2003

- b) Upgrades and enhancements to substations and lines

Enhancements	Target Date
Cook Street Substation expansion of capacity and conversion to 132kV.	Summer 2004
Transmission SCADA system upgrade	Mid 2005

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Mr Monty House; Mr Eric Ripper

Cottesloe substation replacement of switchboard	Summer 2004
South Fremantle to O'Connor line uprate from 66kV to 132kV	Summer 2004
Landsdale substation installation of second transformer	Summer 2004
Replace 28 22kV Circuit Breakers at various sites	Mid 2003
Easement acquisition for the Muja to Collie to Kwinana 330kV line	Mid 2005
Undergrounding of a section of the Southern Terminal to East Perth 132kV line near Burswood	Summer 2005
Replace 92 132kV voltage transformers at various sites	Mid 2005
Eastern Goldfields Saturated Reactors - life extension	Summer 2004

- 7) High capital expenditure in 2002/03 and 2003/04 reflects the Cockburn 1 Power Station project that is due to be completed during 2003/04. The 2003/04 estimates also contain expenditure for the short-term life extension of Kwinana B.
- 8) In 2001 the Government and the Board of Western Power agreed upon a schedule of payments to Government for 2002/03, 2003/04 and 2004/05. The levels of dividends to be paid are the outworking of the agreed total after considering tax and rate equivalent payments.