



March 19, 2010

Mr. Max Trenorden
 Chair
 Standing Committee on Public Administration
 Legislative Council
 Parliament House
 Perth WA 6000

Dear Max,

The Western Australian Farmers Federation (Inc.) (WAFarmers) thanks you for the opportunity to make a submission to the Standing Committee on Public Administration's Inquiry into the 'Electrical Transmission and Distribution Management by Western Power and Horizon Power' (the Inquiry).

WAFarmers is particularly appreciative of this opportunity, as our submission is lodged after the Inquiry's deadline. WAFarmers is unable to provide an explanation as to why the original deadline was not met, but believes that it is important for us to make these comments, as the Inquiry addresses issues which are frequently raised by, and impact upon, our members.

As background, The Western Australian Farmers Federation (Inc.) (WAFarmers) is the State's largest and most influential rural lobby and service organisation. WAFarmers represents approximately 4,000 Western Australian farmers from a range of primary industries including grain growers, meat and wool producers, pastoralists, horticulturalists, dairy farmers, commercial egg producers and beekeepers. Collectively our members are major contributors to the \$5.5 billion gross value of production that agriculture in its various forms contributes annually to Western Australia's economy. Additionally, through differing forms of land tenure, our members own, control and capably manage many millions of hectares of the State's land mass and as such are responsible for maintaining the productive capacity and environmental well being of that land.

In this submission, WAFarmers has not commented on all of the Inquiry's Term of Reference, as a number of these refer to technical, contractual and regulatory issues which are outside of the direct feedback which we have received from our members.

In making this submission however we are mindful that both Western Power and Horizon Power service a very large area, when compared to their counterparts in many Australian states and this can bring particular challenges. That said, the ongoing and efficient supply of power by both Western Power and Horizon Power is critical to the health, safety and profitability of our members.

1. Issues raised in the report released by EnergySafety, 2008 Distribution Wood Pole Audit Review (May 2009)

The report '2008 Distribution Wood Pole Audit Review' (further referred to in this submission as 'the Report') is justifiably critical of Western Power's performance in many areas of their response to EnergySafety's 2006 Audit Report.

The Report notes that "*unassisted pole failures have decreased from over 350 in 1999-2000 to 134 in 2007-08.*" This still represents an unacceptably high rate of one failure each third day, a figure which the Report notes is "*still poor compared with leading Australian practice.*"

The Report lists three critical issues which have not been addressed in the two years since they were identified in the 2006 Audit, (Page 11), of which two are directly related to this issue, being:

2. *The development and implementation of a network-wide pole replacement program to achieve at least 15,000 pole replacements per annum within three years.*
3. *The identification and replacement of high risk, unsupported poles in the rural distribution network. Such poles may have complied with the engineering codes when they were installed, but do not have the strength and safety factors to comply with the more prudent bending*

strength specified in the 1991 Guideline for the Design and Maintenance of Overhead Distribution and Transmission Lines."

WAFarmers notes that many submissions to the current Inquiry submitted by rural shires highlight that 'pole age' is a significant issue for them.

WAFarmers notes that the Report states "*the inescapable conclusion is that such older poles should be replaced immediately, with the work continuing for at least 25 years at 15,000 poles per annum*" however that the Western Power's projected replacement rate is less than half of this in the current and next financial year, and less than two thirds of this figure in 2011/12. If this is the case, WAFarmers believes that the only conclusion that can be draw is that 'pole failure' will increase into the future. Surely this is not an acceptable outcome?

Pole failure has had have tragic consequences for rural Western Australians and WAFarmers assumes that the Committee is familiar with several high profile recent examples where loss of life and property has occurred as a direct result. A second tier of loss occurs when power supply fails, which happens with monotonous regularly in rural Western Australia. Clearly this situation will not improve with a less than adequate pole replacement schedule.

2. Maintenance procedures

The conduct of Western Power's contract staff is an ongoing issue for WAFarmers members. In February 2010, WAFarmers peak policy development council passed the following motion:

That WAFarmers –

1. Follow up the issue of on-farm biosecurity, particularly in relation to Western Power and their contractors.
2. Remind our landholder members of their rights in respect to Western Power and other contractors entering their land.
3. Investigate bulk order of farm biosecurity signs which members can purchase for installation at property entrances, or at least circulate suitably 'legal' wording that can be customised to suit individual enterprises.

The Report's audit score sheet assessment of current practices supports our members concerns when it rates all aspects of 'Inspection' as 'not meeting minimum requirements'.

Pole inspection regularly occurs without notification to the landholder, and as such significantly increases the biosecurity risk to Western Australia's natural environment and its agriculture industry. The Report comments than annually over 155 000 individual pole inspections are conducted, which is a significant risk, when Western Power contractors either lack, or do not adhere to even the most basic of accepted biosecurity practices when entering and leaving farming properties.

WAFarmers is in ongoing discussions with Western Power on this issue however believe that this should have received attention and commitment from Western Power many years back.

Finally, WAFarmers again thanks you for the opportunity to make a late submission on this important issue. We note that in your media release of September 19, 2009 states "*The Committee is particularly interested in the views of the general public.*" In making this submission, WAFarmers believes that, through our policy development process, we add considerable comment from a significant rural component of "the general public".

I thank you for consideration of this submission. Should you wish to discuss this matter please do not hesitate to contact me or WAFarmers Director of Policy, Alan Hill on (08) 9486 2100.

Yours sincerely



Mike Norton
President