[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

# WESTERN POWER AND HORIZON POWER — REGIONS — OUTAGES

Motion

# HON MARTIN ALDRIDGE (Agricultural) [1.31 pm]: I move —

That this house recognises the vulnerability of the electricity network in regional Western Australia and calls on the state government to —

- (a) apologise to regional families, businesses and communities that have been impacted by frequent power outages;
- (b) identify what actions it is taking to improve network resilience and performance;
- (c) improve the extended outage payment to ensure equity in its application and relevance to the outage experienced; and
- (d) support an independent inquiry that examines the performance of Western Power and Horizon Power in providing safe and reliable power and looks at alternative systems that might deliver better outcomes.

I rise to seek the support of the house for this important motion today. It is going to be difficult to do such an important and broad-ranging topic justice in 20 minutes, but I will do my best. Firstly, it is important to recognise and admit that, to some extent, every network will be vulnerable, regardless of its form and its state. That is not limited just to power networks, but also applies to telecommunications networks, reticulated water networks or whatever it may be. There could be infrastructure failures or impacts on those networks, amongst other factors. It is also important to recognise that, in my experience and from my observations, these sorts of extended, and frequently extended, outages often are more prevalent in regional and remote areas of the state. I have said before in this house that I think that people living in regional and remote communities are generally a much more resilient form of Western Australian because of some of the experiences they have had, and I want to reflect briefly on that. Having lived in a regional environment for almost 40 years, I will admit that, generally speaking, power reliability and performance has significantly improved in that time. I remember as a small child that we would go for days without power, with my mother having to cook all our meals on the wood stove. That was just life and we got on with it and we found a way of dealing with it. I want to recognise that there have certainly been significant improvements in the performance of our networks over time, but I still think there is significant room for improvement. This motion before the house today will address some of those matters.

I want to emphasise in my introductory remarks that this is by no means a criticism of the performance of Western Power or Horizon Power employees. It is quite the contrary. There were some reflections in previous debates this year about how well the men and women working for our utilities have performed in the face of adversity. We have seen a number of extended outages this summer and these employees have worked often in very hostile conditions and in extraordinary heat and for repeated days. I mentioned in a previous debate the feedback after the recent wheatbelt fires. I think the Corrigin fire alone destroyed some 400 wooden power poles. The level of unsolicited praise and respect from the community for, in that case, Western Power employees and how quickly they responded and repaired that network was quite extraordinary.

This motion has not been framed to be provocative, but to solicit a discussion about a way forward and how we can improve the reliability, performance and, in particular, safety of our networks. In my view, there is a need to review and reset where we are at in 2022. The first part of that is admitting that we indeed have some room for improvement.

The first limb of this motion refers to making a public apology to those who have been impacted by the extended outages that we have seen, particularly over the last few months. I do not think this part of the motion ought to be particularly controversial. I have received direct correspondence from the Minister for Energy providing an apology not just from Western Power about the matter I was corresponding with him about, but also from the minister himself for the impact that these outages have had. From my perspective, I offer an apology to those people, no matter where they are or what business they are conducting, for the impacts and disruptions that the outages have caused to their lives.

I want to pause at this point and talk about some of the impacts. We have talked in previous debates about the impact on telecommunications networks. Obviously, that is a vital piece of infrastructure and the result of a loss of telecommunications networks can be catastrophic, so I will not dwell on that issue today, other than to say that it is a very important matter that ought to be considered in discussion about the reliability and performance of our networks. Indeed, there has been some improvement in just the last couple of weeks. The Minister for Regional Development made a statement to the house yesterday in which she reflected on an investment by the state, the commonwealth and industry into the resilience of those networks.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

The impact on businesses can be quite significant, and I will quote some of those shortly. I have heard that a number of hospitals have insufficient power redundancy capability. They often have backup generation to run their life support systems, if you like, but not enough to run their ventilation systems. In the current environment of a pandemic in which ventilation is also important, we have hospitals that are not able to keep the air conditioners running and keep those environments safe when there are extended power outages. A number of pharmacies and general practitioner practices also lost all their vaccines stores, particularly over January and February. As we started to see the real community spread of COVID-19 in Western Australia, communities had no COVID-19 vaccine, not because of supply issues, but because of the loss of power. In one event, one small practice in Ravensthorpe lost \$17 000 worth of vaccine after an extended outage. The other impacts are, obviously, on households, and they can be many and varied.

I also want to reflect on the public health risk that is posed by extended outages. Particularly when we have heatwave events—we have had at least two this summer—cohorts in our community are quite vulnerable, and the consequence of that vulnerability can be fatal. That is also something we should reflect on from the impact of extended power outages.

The second limb of this motion refers to identifying the actions the government is taking to improve network resilience and performance. I hope we will get a fulsome government response on some of the things it is doing to improve the situation we have experienced, and are experiencing. I hope I am not going to hear claims of customers being told that they cannot rely on the network. I hope we are not going to hear, as we often do, customers being told that they need to buy generators or build their own redundancy as a plan. I suspect we will hear about all the good work the government is doing with standalone power systems. I pause here to make a couple of comments on that. I support the standalone power system innovation. It started under the former Liberal–National government. However, the standalone power system is part of a plan—it is not the plan—to resolve some of these reliability and performance issues. They are expensive. Although it appears to be a state secret, it is somewhere in the order of \$250 000 a connection for a standalone power system provided by the utility providers. They have limited applications. Of some 2.3 million connections in the Western Power network, for example, the aim is up by 2 031, so about only 4 000 of those are connected to a standalone power system and disconnected from the grid. As I said, it is certainly part of a plan; it is not the plan to resolve the issues that I outline to the chamber today.

Just last evening I was alerted to an article in the WA *Business News* by Matt Mckenzie. Members may not have seen this because it is only quite recent. It is titled "'Explosive failure" risk if grid assets not fixed", and I will quote briefly from it —

Transformers that could explode, a 38 per cent rise in bushfires and increased chances of a system blackout are key risks identified by Western Power, Business News can reveal.

The state government-owned grid operator outlined a series of potential risks when it submitted its investment plans with regulators in recent weeks.

Western Power wants to commit \$4.6 billion to a capital spending program over the next five years, as it hopes to boost reliability of the network and replace ageing equipment.

The utility's concerns were highlighted in the documents for its next access arrangement period, the five years to 2027, through which the Economic Regulation Authority will set caps on its revenue and spending.

About 27 per cent of its more than 300 power transformers were in poor or bad condition.

The article refers to the fire risk and a range of other risks that have been presented to the Economic Regulation Authority in terms of Western Power's request to settle its access arrangements for the next period under the code. It is important reading to understand some of the infrastructure challenges that are faced when providing reliable and safe power networks, particularly regionally. The issues paper published by the Economic Regulation Authority recently on 4 March 2022 talks about recent outages. Page 24 states —

This summer, Perth and surrounding areas had record-breaking heatwaves that have increased pressure on the system. These, coupled with bushfires and pole-top fires, have led to a large number of widespread, repeated or extended outages across the Perth, South West, Mid West, Wheatbelt and Goldfields regions. A list of the areas particularly affected, including the type of feeder category, is included in Appendix 3.

The State Government has commissioned an inquiry into the outages experienced in the Perth metropolitan area over the Christmas 2021 period. The findings of this inquiry may be relevant to the AA5 review, and the ERA will monitor this process closely.

While, as the AA4 data shows, Western Power has generally exceeded reliability performance over the past five years, the average nature of the data may mask parts of the system that are under-performing.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

An important point the ERA makes in its report of 4 March 2022 is that sometimes those global headline averages do not tell the true story, which is that parts of the network, particularly in regional and remote areas, are significantly underperforming but they are masked by the performance of other areas of the network. That is something I implore the ERA to continue to examine as part of this process.

The other matter I would like to be further examined—we have called on the government for a number of years to do this—is the way Western Power manages its business risks, particularly with fire and the mitigation of fire, with other risks to the community. The government's internal policy, how it responds to faults and how that response is potentially leading to some of these extended delays, ought to be scrutinised considerably.

The third limb of the motion talks about the extended outage payment. The extended outage payment was introduced in 2005. Since then, it has been set at \$80 for an unplanned interruption exceeding 12 hours for customers who use less than 50 megawatts of energy a year. That covers most households and some small businesses. It is important to stress that this is a payment for inconvenience; it is not a compensation payment. However, in recent times we have seen a number of decisions, certainly following tropical cyclone Seroja and the Wooroloo bushfires, but also the four-day outage in Perth between 24 and 28 December when that was doubled. It was doubled from \$80 to \$160 for those events. That creates some inconsistency and potential inequity in that system. I am pleased this is an area the government has under review. The information provided to this house would suggest that a month ago the government was urgently finalising that review. I am hopeful that one month on from asking that parliamentary question in this place the minister responding on behalf of the government today may be able to let us know what the findings of that review are and may well even be in a position to table that review in this place.

The other point I want to make is that the shadow Minister for Energy has also called on the government to look at why somebody needs to apply for the payment. If we know where these outages occur and for how long they have occurred and which customers are affected, are we not in a place in 2022 to be able to provide these types of convenience payments, as they are described, directly to those who are impacted without them having to apply and receive approval for these payments? Many other matters will probably have been considered by the government's review that hopefully the minister will be in a better position to outline to the chamber today.

The last limb of the motion goes to supporting an independent inquiry. In response to this part of the motion I am sure the government will refer to the inquiry that it has on foot at the moment. It is important to make some comments about this. There are a number of flaws in suggesting that the current inquiry could be comparable or even in response to part (d) of this motion. That is, the scope of the current inquiry is four days of outages in December, and only on the Western Power network, not the Horizon Power network. Horizon Power does not fall within the scope of this inquiry. It is only four days. I have estimated that in the order of 95 per cent of those impacted during that outage between 24 and 28 December 2021, which this inquiry is examining, were metropolitan customers.

Those are the numbers provided to this chamber by the minister representing the Minister for Energy on 16 February 2022 for extended outage payments during that period. Drawing a comparison between those payments and eligibility with the location of the outages suggests this inquiry has a 95 per cent metropolitan focus. Unfortunately, the broader and much more significant issues outside the metropolitan area will not be addressed by the inquiry. It is interesting to examine the terms of reference for this inquiry, because it was due to report by 14 March 2022, which was Monday of this week. I hope that the minister responding on behalf of the government will provide two things to the chamber today. The first is the report that the government received on or before Monday of this week from this limited scope inquiry, and the second is the report of the urgent inquiry it was finalising on the extended outage payment.

A broader inquiry into our electricity networks is long overdue. The last significant public inquiry was held by a committee of this house back in 2009 or thereabouts. These networks are owned by the taxpayers of Western Australia and an examination of their performance is long overdue. The Economic Regulation Authority will do that to some extent through the process that is underway at the moment, but there are broader issues to be considered. Nothing should be feared in examining these issues. The two network providers, Horizon and Western Power, together do \$1.5 billion of business in Western Australia every year, so they could not be inquired into and reported on in a few short weeks or even by way of examination of what occurred between 24 and 28 December last year.

I hope that I have framed this motion in such a way that we can get some bipartisan support for this issue. The impacts of extended outages have been significant. They have cost businesses and households dearly and have interrupted telecommunication networks. They have affected our COVID-19 response and are impacting on our hospitals. No aspect of our community is not reliant on the reliable and safe performance of these networks in Western Australia. There is a very useful conversation to be had about how we could collectively find ways, strategies and means to improve the outcome of these service providers for their customers.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Emergency Services) [1.52 pm]: I rise to make a contribution on behalf of the government on the motion brought forward by Hon Martin Aldridge. The government is very happy to have a debate on this issue this afternoon. I am pleased at the outset that the honourable member acknowledged the apology that was recently given to him and Western Australians by the Minister for Energy for a number of outages over recent months. I bring to the attention of the house, because I think it is pertinent, a letter sent by the Minister for Energy to the honourable member last week in response to a letter that was sent to the minister in January. I will place this on the record, because I think it is important. It reads —

#### Dear Mr Aldridge

Thank you for your email of 24 January 2022 on regarding power outage and restoration practices in periods of high heat and bushfire risk.

With respect to the specific outages in the Gingin area, I am advised that the same 1,057 customers were affected by outages caused by two separate faults—the first at around 2am on 19 January 2022, and the second around 8:30 pm on 21 January 2022.

Despite extensive patrols of the lines on both occasions, Western Power was unable to definitively determine the causes of these—finding evidence of a possible bird strike with the line on 19 January, and wind-borne debris on lines on 21 January. Western Power has asked me to apologise to customers that it was unable to restore supply more quickly, and I also extend my apologies.

I note your specific concerns regarding the current rate of the Extended Outage Payment Scheme (EOPS), the loss of telecommunications experienced during outages, and Western Power's restoration protocols when Total Fire Bans (TFBs) are in place. I will endeavour to respond to each of these in turn.

As you know, the McGowan Government doubled the EOPS payment rate from \$80 to \$160 for the period of 24 to 28 December 2021. Except for specified circumstances such as these, the \$80 rate has not been increased since its introduction in 2005. I recognise that this is not in line with the expectations of the community and, prior to the Christmas outages, I requested an investigation into increasing the payment permanently. It should be noted, however, that the EOPS is not intended as compensation, but rather an acknowledgement of the impacts of long outages.

I share your concerns regarding telecommunications loss during outages, particularly when bushfire risk is present. I have previously written to the Federal Minister for Telecommunications regarding this, and was also pleased to formally open a standalone power system for a remote Telstra tower near Esperance in early February, which has been provided by the State Government, through Horizon Power. I hope that this project will prompt greater Federal attention to Western Australia's telecommunications needs, by demonstrating the benefits of these systems.

Standalone power systems for telecommunications infrastructure would also provide additional safety benefits during bushfires and other natural disasters, since they remove reliance on spans of poles and wires. No matter the preventative work undertaken by Western Power, power outages are almost inevitable when natural disasters occur, as the network is also vulnerable to damage—and, where the network remains on, outages can be required to make it safe for emergency services to work in affected zones.

Finally, I appreciate your perspective with respect to Western Power's restoration practices during TFBs—particularly in light of the impacts of climate change, which we are already experiencing.

I am advised that, under the exemptions granted to it under current TFB guidelines, Western Power is permitted, with certain conditions, to carry out fault work—such as carrying out patrols to determine defects or hazards and make safe or clear faults. This is the type of activity witnessed on Brand Highway, Muchea. However, the work you witnessed may not have been permitted if a vehicle movement ban (VMB) has been declared by the relevant local government. A VMB was not a factor in these cases.

Western Power will also seek to restore power where possible, within TFB conditions. In these instances, to minimise the risk of causing a bushfire, crews isolate sections to check for fault causes and any other risks, and re-energise checked sections. However, if in a particularly at risk area, firefighting resources must be present. Western Power has dedicated water trucks, water trailers and trained personnel for this purpose, however even with these resources on hand, restorations can still only be done in staggered sections to ensure the ignition risk area is limited.

Given these community safety protocols, it is advisable that customers take steps to prepare for an outage during bushfire season. To help your constituents for a power outage during bushfire season, Western Power has developed a short checklist which is included in the brochure found attached or at www.westernpower.com.au/safety/bushfire-safety.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

I support Western Power's approach of balancing the impact of outages against the significant public safety risk from a catastrophic fire. Beyond the immediate safety risk, the emotional and financial impacts of catastrophic fires can be significant and long lasting. Nevertheless, I am committed to ensuring Western Power continuously improves as an organisation, and implements the most appropriate evidence-based practices in its operations.

I can confirm that Western Power's fault and restoration practices during TFBs, and its communication and engagement practices with its stakeholders, will be considered by the Independent Review of the Christmas Power Outages. This work is being led by Ms Michelle Shepherd, a Commissioner of the Australian Energy Market Commission with extensive experience in energy regulation, competition compliance and economics, and I look forward to reading her report. Thank you for bringing these matters to my attention and I trust that this information is of assistance to you.

Yours sincerely

Hon Bill Johnston MLA

Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations

The letter is dated 8 March 2022. I am happy to table this document.

[See paper <u>1134</u>.]

**Hon STEPHEN DAWSON**: The first limb of Hon Martin Aldridge's motion calls on the state government to apologise. As members would have heard from the letter that I just read out, the minister with responsibility for the energy policy in this state has, in fact, apologised.

The second limb of the motion questions what actions are being taken to improve network resilience and performance. It is important to put into context how big the size of our electricity systems are. In total, Australia has approximately 900 000 kilometres of powerlines. Horizon Power is responsible for the largest geographical catchment of any provider. The service area spans 2.3 million square kilometres and serves about 45 000 customers or 0.019 customers per square kilometre. It operates 8 356 kilometres of overhead and underground transmission and distribution lines, 38 microgrids, eight micro-power systems, the north west interconnected system and a number of standalone power systems throughout the state. It is the first utility in Australia to demonstrate the commercial viability of standalone power systems as an alternative to replacing ageing poles and wires.

The year 2021 saw the launch of Boundary Power, a joint venture between Horizon Power and Ampcontrol, to continue to develop and deploy the standalone powers systems. On the other hand, Western Power is responsible for the south west interconnected system, which covers 26 000 square kilometres—an area larger than the United Kingdom—and has about 860 000 power poles, which is not an insignificant number. There are 103 000 kilometres of powerlines, 8 000 kilometres of which are transmission or high voltage. The area is 830 kilometres from north to south and 750 kilometres from east to west. More than 50 per cent of the line serves less than three per cent of customers. In the metropolitan area, the average connection costs between \$10 000 and \$20 000 to serve over a 50-year period, whereas in the outer metropolitan and regional areas of the SWIS, the cost is more than \$240 000 per customer.

Western Power and Horizon Power strive to have the power on all the time but, of course, as the honourable member mentioned in his contribution today, we are seeing climate change—there is no denying that fact. Climate change and weather events are a significant risk to grid reliability. Western Australia is already experiencing the impacts of climate change. Western Australia has warmed by about 1.3 degrees since about 1910. Since 1900, rainfall has increased over most of Western Australia, apart from the far west and south west where it has declined. Rainfall decline in the south west of Western Australia has been greater than anywhere else in Australia. The number of days with dangerous weather conditions for bushfires has increased in nearly all locations and the temperature and frequency of very hot days is expected to continue to increase and, as we have seen, heatwaves will continue for longer and become more intense. The number of days with dangerous weather conditions for bushfires has increased in nearly all locations. One only has to look back to early February when, for example, we had four level 3 bushfires across the state—we spoke about this a couple of weeks ago—and on the same day, we had extraordinary weather conditions, such that we have not seen before in the state. I dare say that we will see more of those as time goes on.

Unfortunately, the frequency and severity of climate-related weather events will only increase unless further global action is taken to meet the Paris climate targets. The grid has already been significantly impacted by climate change—related weather events over the past 18 months, which has caused the greatest amount of damage ever seen to the system across the state. In 2020, we saw severe storms in the northern suburbs of Perth around Quinns Rocks but from the north of Quinns Rocks down to Albany, we saw the Wooroloo and Wundowie bushfires in January, February and March 2021. We saw storm-related flooding in Northam and surrounding areas in March 2021 and

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

we also saw cyclone Seroja in April last year, which, again, affected thousands of homes in the midwest and northern wheatbelt with 3 500 poles having to be replaced. Perth has experienced its hottest summer on record this year, with 32 days over 35 degrees and 13 days over 40 degrees. All those things contribute to the pressures on the state's electricity system.

What specific action is the government taking to address the power systems in this state? The Western Australian energy sector is undergoing unprecedented change and whether or not we realise it, the way we generate and consume electricity and the cost of producing and supplying electricity is transforming. The McGowan government is committed to having a more secure, reliable, sustainable and affordable electricity system in Western Australia both now and into the future. It is important to note that Western Power's income and expenditure, as well as its service benchmarks, risks and targets, are determined independently from government and are done by the Economic Regulation Authority, as the honourable member mentioned earlier on. They are done through an access arrangement process, which is open to public consultation. Western Power recently submitted its fifth annual access arrangement proposal, AA5, which outlines its grid investment plans to the ERA for consideration. Western Power proposes to invest around about \$5.4 billion in capital to deliver covered services, which is a 30 per cent increase in investment to commence transitioning to the modular grid. This additional investment will be delivered while keeping prices below the cost of inflation so we will get the improvements that we need whilst not hitting people in the hip pocket. The Minister for Energy has written to the ERA to set out the government's expectation that determinations should ensure that Western Power has appropriate funding to maintain the performance of the grid in line with community expectations.

A great deal of work is going on. I will use the Northampton feeder as an example. I know that within this place and certainly in the media, there have been comments about the unreliability of power in Northampton over previous months. I acknowledge the fine work of Hon Sandra Carr, who has been working with the Shire of Northampton on power issues. She has had the minister up to Northampton to meet with the shire and make announcements. There has been an investment for a Northampton feeder, which is the replacement and addition of pole top switches, fuses, protections devices and sectionalisers. These, I am told—I am not a power wonk by any stretch of the imagination—will improve the remote operation of the feeder. They will also allow the crews to work faster to identify issues and restore power in a much quicker fashion and generally provide reliability improvements to local residents and, indeed, local businesses. Of course, Northampton is a family community. An additional high-voltage protection device installed on the line will better demarcate the offshooting Horrocks and Port Gregory lines from the line to Northampton. The most significant benefit will be to Northampton customers because they will be better protected from faults on the offshooting lines, but the Horrocks and Port Gregory areas will also benefit from a significantly reduced patrol area when faults are being investigated by crews.

There has also been work upgrading a section of line that links the Port Gregory area to the nearby feeder to Kalbarri, and although that will not necessarily prevent a fault from taking place, it will provide for additional back-feeding options to help restore electricity for customers more quickly. A feeder is being installed in Irwin and work is happening around Dongara. There is obviously the Kalbarri microgrid, which is a \$15 million project for 1 500 customers using entirely renewable wind, solar and battery energy, which has helped to prevent more than 24 hours of outage since October 2021, which is a good thing. Investment is happening in standalone power systems and we are purchasing more emergency response generators for the high-voltage network. We are using Lidar—light detection and ranging—to take 3D images to more quickly identify damaged poles and wires and we also used helicopters after cyclone Seroja to identify and bring forward maintenance work to carry out alongside repair work. We are also reviewing the west Kalgoorlie turbines and upgrading infrastructure in the goldfields, including constructing an 80-metre communications tower at the Black Flag substation. We are doing multiple communications site upgrades and refurbishing substation transformers.

The third limb talks about improving the extended outage payment to ensure equity in its application and relevance to the outage experienced. As has been mentioned by Hon Martin Aldridge, and as I mentioned when I read out the response from the Minister for Energy, a review of that issue is happening at the moment. Although I am not in a position to present any of the answers that the member wanted today —

A member interjected.

**Hon STEPHEN DAWSON**: Of course the minister would like to announce anything like that. If I were the Minister for Energy, I would want to announce that; I would not give it to the bloke in the Legislative Council to do.

Hon Steve Martin: No rush.

**Hon STEPHEN DAWSON**: Exactly. Hon Steve Martin raised a good point; there is no rush. These payments came in under a Labor government in 2005. What has happened since then? Nothing. Your mob was in government for many, many years. Did you up the payment? No, you did not. We are in government now and we are looking

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

at it. Stay tuned. There is a rush from us. There was no rush from your mob, but we will do it. We are listening to the local community.

Finally, the fourth limb talks about supporting an independent inquiry to examine the performance of Western Power. As has been mentioned, there is an inquiry looking into the Christmas outages.

Amendment to Motion

Hon STEPHEN DAWSON: With that, I would like to move to amend the motion. I move, without notice —

To delete all words after "electricity network in" and insert —

Western Australia and acknowledges the McGowan government with respect to —

- (a) apologising to all customers, including those in regional Western Australia, for the Christmas 2021 outages between 24 and 28 December;
- (b) taking action to improve network resilience and performance;
- (c) committing to review the extended outage payment to ensure equity in its application and relevance to the outage experienced; and
- (d) launching an independent review of the Christmas outages that examines how service providers can ensure safe and reliable power.

The Minister for Energy has been working incredibly hard to transform our electricity system in Western Australia. The minister has been working to ensure that people in regional and remote Western Australian communities benefit from an investment in better power systems across the state. I commend the amendment to the house.

HON MARTIN ALDRIDGE (Agricultural) [2.11 pm]: Clearly, my wishful thinking that there would be some bipartisan support for this motion quickly evaporated with the minister's response. The government wants to turn this into a back-slapping exercise rather than recognise some of the significant and detrimental impacts that I outlined in my contribution. It, effectively, wants to delete the entirety of the motion and insert its own motion, which I think raises some very serious questions about the government's so-called claim of being a gold-standard transparency government. Once again, the government did not provide any significant outline in its response of how it is addressing this issue, apart from in a few isolated parts of the network. No significant vision was provided by the government. I think that is why it opposes an inquiry. Probably my most significant disappointment with this amendment is its last limb. The motion is about the vulnerability of the electricity network in regional Western Australia, but the government seeks to delete regional Western Australia from the motion. It comes as no surprise that this government, which just deleted regional Western Australia from the Electoral Act, is now trying to delete regional Western Australia from the debate today.

**Hon Stephen Dawson**: You've not mentioned regional Western Australia in your motion! The words aren't even there. You've not put them in your motion.

Hon MARTIN ALDRIDGE: Read the first line.

Hon Stephen Dawson: It says "all customers, including those in regional Western Australia". Read the amendment.

Hon MARTIN ALDRIDGE: Now —

Hon Stephen Dawson: See? Selective.

Hon Darren West: We're the party of the regions.

Hon Alannah MacTiernan interjected.

The ACTING PRESIDENT: Members! Hon Martin Aldridge has the call.

Hon MARTIN ALDRIDGE: Where is the reference in the amendment?

Hon Stephen Dawson: It says "all customers, including those in regional Western Australia".

A member: It has to be a typo.

**Hon Dr Steve Thomas**: It says "including", just in case there is any suggestion that regional Western Australia wasn't a part of Western Australia!

Hon MARTIN ALDRIDGE: I do not see where regional Western Australia is mentioned in the amendment.

Several members interjected.

**Hon MARTIN ALDRIDGE**: I see. It reads "apologising to all customers, including those in regional Western Australia". But the issue is the inquiry.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

Hon Stephen Dawson: It does say "regional Western Australia".

**Hon MARTIN ALDRIDGE**: I am a bit confused, because this motion should have been responded to by the Minister for Regional Development. Hon Stephen Dawson is not the Minister for Regional Development, so something has gone astray this morning.

The most offensive part of this amendment is paragraph (d), the inquiry the government announced into a few days in December, through which it is effectively trying to erase the point at issue. Of those 30 000 customers, 95 per cent live within the metropolitan boundary of Perth. The government is saying that that is all it needs to cover to consider the complex and challenging issues that are faced outside Perth. Surely no regional member of Parliament will support this amendment. If they do support it, they will be saying that there is nothing to see in regional Western Australia. The Minister for Energy is only concerned about power loss when it happens in Perth. When people lose power in Perth, the government doubles the extended outage payment and launches an independent inquiry into why they lost power over four or five days in December. When it happens in Northam, Northampton, Dongara, Horrocks or other places, there is no doubling of the extended outage payment and there is no independent inquiry launched. In fact, there is no response from this minister. The only response was from the minister's representative in this place, who came in and once again tried to focus the government's attention on metropolitan Perth. I will oppose the amendment.

**HON DR STEVE THOMAS (South West** — Leader of the Opposition) [2.16 pm]: I am not opposed to taking part in the occasional stunt in Parliament, but I think the government should acknowledge that that is what is actually being presented here in the debate on the motion originally moved by Hon Martin Aldridge.

**Hon Martin Aldridge**: You changed its tense.

**Hon Dr STEVE THOMAS**: The amendment changes the tense. The government would obviously like to talk about the things it has done rather than making progress into the future.

Hon Stephen Dawson: You asked us to apologise; we are apologising.

**Hon Dr STEVE THOMAS**: There are lots of other things the government should be apologising for.

Hon Stephen Dawson: Not in this motion.

Hon Dr STEVE THOMAS: Not in the motion as the government seeks to amend it.

Hon Martin Aldridge: You could apologise for the amendment!

Several members interjected.

The ACTING PRESIDENT: Order, members! The Leader of the Opposition has the call.

Hon Dr STEVE THOMAS: Thank you, Acting President.

An apology for the amendment might be good! I just note that a little grammatical correction is needed in paragraph (b) of the amendment. It should say "improve"; it says "improving" in the copy of the amendment that we have been given. Putting grammar to one side —

Hon Martin Aldridge: I thought you were a vet!

Hon Dr STEVE THOMAS: I cannot read my writing, but I can at least read!

This is a significant change. Obviously, the intent of the government is to change the motion from looking to the future, which the motion moved by Hon Martin Aldridge was intent on doing, to giving the government a bit of back slapping about the past.

Hon Stephen Dawson: It's the here and now.

Hon Dr STEVE THOMAS: There are a couple of bits in the here and now. I accept that the government has committed to a review in paragraph (c). It will be a limited review. The government likes to review things, so fair enough. There is a limited apology to be given to those people affected by the Christmas outages. Look, that was a good statement by the Minister for Energy, but we could argue for some time about congratulating the government on taking action to improve network resilience and performance. I think that is probably the most important one. The original motion called for an independent inquiry to deliver the best outcomes into the future, but that has been utterly turned into a back-slapping exercise by the government. This amendment will change the substance of the motion. This amendment will change the potential outcomes. Surely, by that definition, it will change the intent of the motion. The government will argue that it will not. These are the games that it will obviously play. It will get the amendment passed and, ultimately, I suspect it will vote for the motion and the motion will pass. It is disappointing that the goodwill that was intended at the start of this debate —

Hon Stephen Dawson: Have you ever moved an amendment?

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

**Hon Dr STEVE THOMAS**: I have moved an amendment. As I said at the start of my contribution, I am not necessarily opposed to the odd stunt.

Hon Stephen Dawson: The last one was on 7 August 2019, the records show.

**Hon Dr STEVE THOMAS**: I am not against it. It would be different if I were to take the high moral ground and demand that it never happened, but I started my contribution, minister, by saying that I am not opposed to the occasional stunt when I think it is of substance and use. The question is about the standard of the stunt; and, in this case, I suspect the standard is lacking. That is not the debate on substandard performance that I thought we would be having today. I thought we would be having that debate later when we discus small business.

However, the amendment in my view substantially changes the intent of the motion. There was goodwill in Hon Martin Aldridge's motion calling for an independent inquiry "in providing safe and reliable power and looks at alternative systems that might deliver better outcomes". I suspect, having interacted with the Minister for Energy, Hon Bill Johnston, frequently, that he is probably not necessarily opposed to that. At some point someone is going to have to look at the delivery system. But to attempt to change the motion to remove that most important section is just another sad stunt by the government. If it is going to do a stunt, by all means do a stunt, but put some thought into it and make it a quality one. It needs to step up, not step down. It should be a race to the top, not a race to the bottom. It should be a race to the future, not stepping backwards into the past.

Hon Stephen Dawson: Unlike the Liberal Party. Hon Dr STEVE THOMAS: Yes; that is right!

Several members interjected.

The ACTING PRESIDENT: Order, members!

Hon Dr STEVE THOMAS: You destroyed —

Several members interjected.

Hon Stephen Dawson: It's the stupidest policy you've ever seen, you said.

**Hon Dr STEVE THOMAS**: I have said that plenty of times.

Several members interjected.

The ACTING PRESIDENT: Order!

Hon Dr STEVE THOMAS: I have never taken a backwards step on anything I have said on any of those policies.

The ACTING PRESIDENT: The member has 10 seconds left.

**Hon Dr STEVE THOMAS**: This is a bad amendment. It reverses the intent and the government should not be supporting it.

Division

Amendment (deletion of words) put and a division taken, the Acting President (Hon Peter Foster) casting his vote with the ayes, with the following result —

Ayes (19)

Hon Klara Andric	Hon Sue Ellery	Hon Kyle McGinn	Hon Matthew Swinbourn
Hon Dan Caddy	Hon Peter Foster	Hon Shelley Payne	Hon Dr Sally Talbot
Hon Sandra Carr	Hon Lorna Harper	Hon Martin Pritchard	Hon Darren West
Hon Stephen Dawson	Hon Jackie Jarvis	Hon Samantha Rowe	Hon Pierre Yang (Teller)
Hon Kate Doust	Hon Alannah MacTiernan	Hon Rosie Sahanna	

Noes (7)

Hon Martin Aldridge Hon Steve Martin Hon Dr Steve Thomas Hon Colin de Grussa (Teller)
Hon Donna Faragher Hon Tjorn Sibma Hon Neil Thomson

Pairs

Hon Ayor Makur Chuot Hon Peter Collier Hon Stephen Pratt Hon Nick Goiran

Amendment thus passed.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

Amendment (insertion of words) put and passed.

Motion, as Amended

**HON COLIN de GRUSSA (Agricultural — Deputy Leader of the Opposition)** [2.25 pm]: What a disappointing display by those on the other side to seek to amend what was a pretty bipartisan motion.

Point of Order

**Hon STEPHEN DAWSON**: The house has amended the motion. I encourage the honourable member not to reflect on the decision that has just been made by the house.

The ACTING PRESIDENT: Honourable member, if you could return to the amended motion as agreed.

Debate Resumed

**Hon COLIN de GRUSSA**: I want to take issue with the motion we are now debating, which takes away from the motion that was originally moved by Hon Martin Aldridge. In particular, one limb of the amended motion we are now debating states that this house —

acknowledges the McGowan government with respect to —

• • •

(b) taking action to improve network resilience and performance;

I think that that is probably the most interesting part of the amended motion and it is an area that I was going to talk about in debate on the former motion in any case.

Firstly, I acknowledge, as my colleague Hon Martin Aldridge did while debating his earlier motion, those people out there who work for our energy supply companies and who do an absolutely fantastic job, often in the most trying conditions, to restore electricity to communities and individuals when it goes out. When we have significant events, such as cyclone Seroja, that job becomes much harder, but those workers do a sterling job and I want to acknowledge the hard work that they do. However, I want to mention the other end of the spectrum, and this is where the Economic Regulation Authority report becomes useful. The ERA report on the performance of energy distributors over 2020–21 refers specifically to the metrics that the ERA uses. Indeed, they are used in other areas and I will go to that at some point later on.

Although the ERA acknowledges that the threat of natural disasters and extreme weather events will play a part in causing outages in the system—we absolutely agree with that—it also acknowledges that extended power outages are significantly caused by those things. The interesting point is how those things are measured and assessed. In fact, one observation I made from the ERA report is that it uses a threshold metric to report the frequency of outages in the network. In the case of urban areas, that threshold is nine outages a year before it is reported. In rural Western Australia, there must be 16 outages. People in regional areas are worse off; they have to put up with extra outages before they are counted in the report that the ERA produces. It is very interesting when we look at this and draw inferences about what that means. It means that there is a disparity, obviously, between the measurement that is applied to urban and rural areas; it is nine, as opposed to 16 before they are counted as outages. That means that we have to accept that regional Western Australians should suffer seven more outages than their metropolitan counterparts before the Economic Regulation Authority deems it to be of any consequence. If the government is as committed to taking action to improve network resilience as it says in this motion, perhaps we had better take action on how we measure when the network is not working, because there are clear disparities. Why does this metric even need to use a threshold number of outages before they are counted? I note the Australian Energy Regulator report, which uses similar calculations of metrics and so on and which I will go into later, observes that an outage is when the electricity goes off for three minutes or more—that is it; it is not the number of outages. When the electricity is off for three minutes or more it is counted, regardless of whether the network is rural or urban. I think that is a much better way to measure the performance of the network.

Another aspect is that the metric is based on the number of customers on that part of the network. Again, that will skew the data in regional areas because there are fewer customers on that part of the network. What is the government doing to improve the way these numbers are derived? The only conclusion I can draw from this is that it is very inconvenient for the government to use a measure that is a true indicator of the frequency of outages endured by regionally based Western Australians compared with people living in the metropolitan area. That is why I talked about the Australian Energy Regulator network performance report. The measure the AER uses in that report is for outages longer than three minutes. They are counted regardless of whether they are on a rural, metropolitan or urban system. That provides a much more accurate picture of the reliability or otherwise of the power supply to those customers. If we want to get a true picture of the reliability of the network, I would certainly encourage looking at how we measure the interruptions to the service on the network and deciding whether they are appropriate

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

metrics in the twenty-first century in Western Australia, regardless of whether someone lives in the regional or metropolitan area.

I now turn to another report that Western Power provides to the ERA. This is the Electricity networks access code 2004 service standard performance report for the year ended 30 June 2021. This is a really interesting report that talks about the performance of Western Power against the various service standards. When we dig into the data, we find interesting information. The table on page 20 talks about the service standard benchmark that has been set by Western Power from 2021 onwards. We are talking about the system average interruption duration index; in other words, how long the power went out for, and the base index Western Power uses to measure that against. It is interesting that, again, a different set of standards exists between urban and rural customers when delivering reliable power. In the CBD, the benchmark is set at a duration of less than 33.7 minutes without power. In the urban areas that duration is less than 130 minutes a year without power, so a couple of hours. But the duration for the rural long network is an outage of less than 848 minutes a year. That is the target that Western Power sets itself to measure against to see whether it is performing well. It is very interesting to look at the data for 2016–17 through to 2020-21. Western Power set itself a target that is higher than the duration of outages that it has experienced. It has set a goal that is worse than its actual performance. I would love to lose a few kilos of weight, but I am hardly going to go out there and say that my target weight is higher than my actual weight because I would have achieved my goal without even trying. Western Power's target is higher than what it has achieved. This is why the government needs to review the measures.

Several members interjected.

**Hon COLIN de GRUSSA**: Maybe we would be performing better if we got what we wanted. Let us go down that path. They will not be worth much in the future.

This is what the government needs to look at instead of patting itself on the back and saying that it has taken action to improve resilience and performance. By any measure, if Western Power sets its goals and standards against higher benchmarks than what it has achieved, it is easy to say that it is great and is doing a really good job. The fact is that it is not. There is even more of a disparity in the regional areas. As I said, the rural long measure benchmark of 848 minutes of outages a year has gone up and up. I had a good look at other jurisdictions not only in Australia, but also around the world, and I could not find a network in any rural area that performed as poorly as ours. The ERA report contains metrics on the duration of outages on this index. I can compare those only with the AERA report, which has metrics for some of our compatriots in the east. If we look at the duration of outages in the rural long areas in the Australian Energy Regulators' area of responsibility around the country, we can see that the average minutes without supply per customer in 2020 was around 370 minutes. In Western Australia, it was over 1 400 minutes. That is a big disparity. Remember, this is counting all the data.

Again, how we measure this information is important. It is also important that although the minister said the Economic Regulation Authority's assessments are independent of government, the fact is that the network providers and the Economic Regulation Authority have to abide by the Electricity Industry (Network Quality and Reliability of Supply) Code. That set of regulations determines what some of these metrics are based on. If we look at those, we can see, as far as I am aware, that an interruption to supply is defined in the code and it then goes on to talk about the different measures used in regional and metropolitan areas. This is where it defines that the permitted number of interruptions is nine times for urban areas and the Perth CBD and 16 times for customers in other areas. Perhaps it is time to review that standard and bring it to a more modern arrangement, and also to assess the time that is allowed for the standard average total length of interruptions. The standard average is 30 minutes in the Perth CBD, 160 minutes in urban areas and 290 minutes in other parts of the state. Why is it acceptable that those durations are so varied between the Perth metropolitan area and regional areas of the state? How is it in any way acceptable to benchmark the energy network in such a way that skews the results so that it makes the performance look better than it actually is, especially if we start comparing it to other networks around Australia and the world?

Rural customers in Western Australia now endure 34.6 additional minutes of outages a year compared with 2016–17. How is performance getting better? How has it improved when in 2016–17 rural customers were 34.6 minutes of outages better off, as it were, compared with how they are now? Again, if we read the Economic Regulation Authority's report, it says that performance has improved. There again, the devil is in the detail. It comes down to the way that the metrics are determined and the fact that they are inherently designed to produce a result that looks better than it actually is.

Studies undertaken by the CSIRO clearly indicate that the bushfire risk is increasing due to climate change. In fact, the forest fire danger index in Australia will more than double by 2050 and the fire season is now longer than it was in the 1970s. Obviously, that means that managing the fire risk posed by operating an electricity network on an extreme fire weather day is a very challenging job and is becoming more challenging. New approaches are needed. The number of natural hazard events is increasing with time. There are fewer years between those major

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

events and fewer years when there are no events or even a single event. We know that no system can ever be ready for all of those events, but resilience of the systems is incredibly important.

The general rule that providers follow is that they replace what falls or burns down with what was there before. This is where we miss an opportunity to future proof the network. I know there are good examples of where that has been done. One example was in Esperance in 2015 following the significant bushfires there. About 320 power poles down there were literally vaporised—there was absolutely nothing left of them—and hundreds of kilometres of powerlines were destroyed. At the time, Horizon Power obviously had to restore the network; that is its job. The people from Western Power went out, had a look, had a think and said, "Hang on a second. By law, we have to restore the network." But they had a little think outside the box. Instead of just wandering out and saying that they would rebuild and put up the same power poles and wires that were there before, they came up with a standalone system that they implemented down there. The system is solar powered with a lithium battery and a generator backup. A further 19 units have been installed since 2016 and another 45 are planned in that part of the world. That is an amazing success story. I remember talking to many of the farmers down there at the time, and they were reluctant. They thought that the systems would not be powerful enough and that they would end up with a less reliable system that would be difficult to maintain. However, now that the systems are installed—of course, Horizon Power simply provides the system, provides a bill to the customer and does all the maintenance—those folks down there absolutely love them because they are so much more reliable. They provide three-phase power and other options as well, which are very significant and important for many of those customers down there. That is an example of how we can improve the network by thinking outside the box, and more power to those people in Horizon Power—excuse the pun—who thought outside the box at the time and achieved this.

I want to briefly talk about the last part of this motion. Network resilience is one issue that I really think we need to work hard on. In order to do that, we need better measures of performance. We do not need to sugar-coat it. We need to look at how those networks are performing in a way that is easily comparable with other networks around the country and the world. Skewing data against that is not going to help anyone.

The fourth part of the motion as amended, of course, refers to an independent review into the Christmas outages. I do not have long to speak on this. That is all good and wonderful, but there have been some pretty significant events and outages in other parts of the state that would be very worthwhile reviewing. How can we improve and increase the resilience of the network if we do not have a full understanding of the problems that led to the issues on the network that were observed by those customers? I think that part of the motion is really quite disingenuous to the customers who have suffered outages outside of the Christmas hours, and there needs to be a much better process to allow the review of any such major outage so that we can improve the network. We are never going to improve the resilience of the network if we do not properly assess the system as it was, regardless of any skewed metrics.

HON ALANNAH MacTIERNAN (South West — Minister for Regional Development) [2.46 pm]: I want to begin by saying that no-one in the McGowan government and certainly not the Minister for Energy does not take very, very seriously this issue of reliability of power supply into the regions. If we look at the improvement that has taken place, notwithstanding the fact that we have experienced increasingly adverse conditions because of the hotter, dryer weather and the greater intensity of storms, I think that we are making progress, but no-one ever takes the view that we have reached a nirvana. We know that it is massively important to have a culture of continuous improvement and to be constantly trying to work on improving the situation.

The idea that we do not take into account the very special issues in our regional areas is just not supported by the facts. If we look at the south west interconnected grid, for example, the average cost for Western Power of connecting and keeping the electricity system alive is between \$10 000 and \$20 000 per customer. In regional areas, it is more than \$240 000 per customer. Across the SWIS, there is quite properly a very strong and necessary subsidy that is going into those regional areas, but that is not a cause for complacency or for saying that we have done enough.

I have to say, I was particularly amazed by the contribution of Hon Dr Steve Thomas, who argued that we have to move forward and have a forward-looking policy. I would suggest that we are looking forward, and we cannot in any way see the performance of the Barnett government as anything but looking backwards. We had closed down Australia's dirtiest coal-fired power station, and they spent \$350 million of taxpayers' money trying unsuccessfully to get it open! That, of course, contrasts very greatly with the thrust that we have been developing whilst in government, which is looking forward, not looking to try to keep open old coal-fired power stations, but to establish a just transition out of coal. At the same time, we have made a massive investment into renewable energy and developing new industries such as the hydrogen industry, which will be an enormous asset for regional Western Australia.

I do not know whether members were aware of what I think was a really interesting announcement that was made by Minister Johnston on 28 January 2021. From July 2021, we have been rolling out 98 standalone power stations across Western Australia's network. We have talked today, including in the contribution made by Hon Martin Aldridge, about the long, thin power lines that we have—the poles and wires. We all know them. They have been shown and

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

we all understand that they are particularly vulnerable. Some small moves were made by the previous government to look at some alternatives, but it was quite clear that we needed to do more. Last year, we awarded \$17 million to deploy 98 standalone power systems right across the south west interconnected grid. More recently, on 18 October 2021, Minister Johnston announced an exciting opportunity for Western Australian businesses to explore the development of a disconnected microgrid pilot in the midwest, wheatbelt and great southern regions. The government is seeking registrations of interest to understand the capability and capacity of the market to develop a disconnected microgrid, which is a small, isolated network that operates independently of the rest of the grid. The advantage of these, as we know, is that they reduce our reliance on the very vulnerable poles and wires, which are really at the heart of most of the reliability problems that we have, which was acknowledged in Hon Martin Aldridge' contribution.

We are particularly interested, too, in looking at the role hydrogen can play in the development of microgrids right throughout the wheatbelt. Very exciting developments are occurring in small-scale hydrogen production. They will enable decentralised power grids to be created, again reducing the reliance on long linkages of poles and wires, which, as I said, is fundamentally at the heart of this vulnerability.

I am very pleased that Hon Martin Aldridge acknowledged the competence and extreme responsiveness of the Western Power workers. That has been a repeated theme that we saw with cyclone Seroja and again at Corrigin with the recent fires. This is obviously an organisation that responds very quickly and with great determination to restore power. We know that, no matter how sophisticated the technology, when we have the long, thin connections that we have, there will always be outages. We are not complacent and we are, in fact, looking to embrace the latest technologies to ensure that we have a system that is more resilient, not centrally based, and is more disaggregated. That disaggregated system is going to bring with it greater reliability. I support the amended motion because the evidence is clear that we are taking these issues very seriously and really moving to take rural power supplies out of the twentieth century and place them firmly with the technology developments of the twenty-first century.

HON STEVE MARTIN (Agricultural) [2.56 pm]: I rise to make a contribution to the amended motion. I think the amendment was unnecessary given the spirit with which Hon Martin Aldridge started his contribution to the original motion, but I will discuss the amended motion. I will start by making a prediction. I do not normally do that. For example, I will not predict who might win in the football at the weekend or on the track at the races, or even the next federal election, but I will make a prediction that while we are discussing the motion this afternoon and for the rest of the day, the power in this building will not go out. I am extremely confident that that is the case. If this place were in regional Western Australia, I would be less confident about that prediction. That is simply a fact. I was elected last year and we have been here since May. We do not have candles under the desk and we do not have torches on our desks because we are very confident that the power is staying on in West Perth. That is a good thing.

A member: Can you fix the wi-fi?

**Hon STEVE MARTIN**: That is a good point; what has happened to our wi-fi? Anyway, I digress. I would be less confident in making that prediction in regional Western Australia. I thought I would start with that point. I do not imagine that the parliamentary staff will be making the \$80 claim to the excellent sausage rolls that go off if the power goes out in this building for the next 20 hours. That is unlikely to happen.

Let us look at the amended motion regarding the apology. I was disappointed that we moved from a broader apology to just the Christmas outages between 24 and 28 December because, obviously, the issue is ongoing. We will have to bring this motion back next week and the week after that to have another go at it because the power is not reliable in many parts of regional Western Australia. It was a significant issue at Christmas for those four days and it was an appropriate apology. The minister did the right thing. However, for example, I spoke this morning to an elderly gentleman at Mogumber. Tom and Kaye Kelly are involved in a dispute with Western Power that I will not touch on too much because I believe it is before the courts. Tom informed me that the power has been out three times in the last fortnight at his property at Mogumber and that that is not uncommon.

Let us look at the regional network. There has been some discussion this afternoon regarding this motion about the impact of significant events and disasters. We have talked about cyclone Seroja. We have talked about the recent string of fires and so on. There has been discussion about the increasing nature of those events and that is true but, where I live and from the people I talk to, those are enormously significant events and they do have issues with power reliability, but it is about the everyday. It is not just the one-off major events; the continual lack of reliability of power supply is an issue for regional Western Australians. It is not entirely about events like cyclone Seroja and the Corrigin fire; it is about just the day-to-day business for those families and businesses.

We have heard that it is simply about the ageing infrastructure. The powers and wires in large parts of the network are old and unreliable. At the moment, we have pole-top fires on a regular basis. In the summertime, after a dry spell,

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

there might be a morning dew and that will spark a pole-top fire. There has been a string of those fires all summer, and that has had enormous impacts on the network.

Hon Martin Aldridge covered the detail of the original motion, which has now been amended, but I might give members some personal stories about the impacts of the unreliable power network on regional Western Australians. I mentioned Tom and Kaye Kelly, who are both in their 80s. There was a fire on their property two and a half years ago and the cause of the fire is in dispute. What is not in dispute is the damage that the fire caused and the impact on their lives since. Regional members who have been to regional shows and events, particularly in the midlands region, will have probably bumped into Tom Kelly at the Moora Show or one of the field days. He will make himself known to someone if he knows they are a politician. It is not a stretch to say that fighting this fight to try to get some recompense for the damage to his property has had a detrimental effect on his wellbeing.

I will give members another story about the outage payment, which the Minister for Emergency Services mentioned. I have been made aware of a small business in a town that had a significant outage after the Narrogin—Wickepin fire. This small business person is well aware that he will have power outages and he is prepared. He does not have an onsite generator, but he has access to a generator. When the power flicks out, he jumps in the ute and drives 15 minutes to pick it up. He then brings it back, hooks it up and his coolrooms and fridges and freezers stay on. During the Narrogin fire, the road was blocked and he was unable to get to the generator. The power was off for 20 hours. By the time he could get to the generator and get back and hook it up, he had lost thousands of dollars' worth of produce. Everything in his fridges and freezers—not our sausage rolls!—was gone. Western Power does not cover that. He got \$80 for losing power at that business and he told me that he got \$80 for losing power at his home, which is slightly further up the road. His insurance company will not provide insurance for that because of the unreliability of the service, and I believe it will not cover the cost of the generator either. That has a direct impact on his business. Those people want reliable and safe power. That is what everyone in Western Australia wants.

The Northampton–Horrocks–Dongara region seems to be a hot spot at the moment. It is not because of cyclone Seroja; I am talking post–cyclone Seroja. For example, I was at a meeting recently in Dongara and the locals made it very clear that it was a constant issue. Most of them had bought generators and had gone to the expense of plumbing them into their power system so that if the power flicks off, the genset automatically turns on and they are away. We do not do that in the suburbs. That is simply another cost.

A story in the *Midwest Times* of 9 February refers to Dongara FoodWorks owner Karina Clifford, who lost hundreds of thousands of dollars in spoiled produce, staff wages and appliances fried by power surges. On my visit to Dongara, I bumped into a cafe owner and we had a chat while I ordered a coffee. He asked me what I did and I told him and he said, "Right; I want to sit you down and explain what is happening in Dongara." This business person has a coolroom and when the power flicks out, it triggers an alarm on his phone. He showed me the screenshot that he had saved. In one night, the power in his coolroom flicked off eight times. Until recently, he was considering expanding his business in town to also have one at the beach, but simply because of the unreliability of the power supply, he has decided that that is not going to fly.

While I am talking about business investment in the regions—this is not necessarily a reliability issue, but it relates to paragraph (b) of the amended motion, which refers to improving network resilience and performance—I have to say that things like headworks charges and the availability of power are a real handbrake on investment and businesses in regional Western Australia. I mentioned in my first speech in this place a couple of businesses that are quite close to me. One of them is my local Co-operative Bulk Handling storage and handling facility, which has been upgraded in the last couple of years. There is a big sign in the driveway warning people to watch for powerlines, because the powerlines run straight through the CBH facility. For its recent upgrade, it bought some gensets and hooked them up with diesel because there is not enough power in the line. We have heard from various ministers about the way that the network will be more diverse and will be a standalone network. If that is the case, the lines need to have some extra juice to encourage those investments, because those businesses simply cannot operate if there is not enough power. There is also a new mining business just to the east of me that was burning \$30 000-odd of diesel a month—that was before the recent \$1 a litre price hike—because the quote from Western Power was simply too excessive to hook up the lines. It is burning diesel every day. The diesel arrives there in a truck.

I am sure that regional members have heard about the \$30 000 power pole. The Williams Men's Shed built a brand new men's shed, as men's sheds tend to do, and it needed to hook up the power. The distance from the power pole to the new men's shed is about the length of this chamber, so it is about 10 metres away. The quote was that it would cost tens of thousands of dollars to dig underground and hook the power up to the new shed. The men's shed has bought a couple of solar panels and a battery of some sort and the shire is paying for it. Again, headworks charges and availability of power are enormously important to encourage residential and business investment in regional Western Australia.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

There are some interesting things going on, as we heard from various speakers on the motion, and I would like to quickly mention one. We had a discussion in this place recently about what happened during the fires. The Telstra towers flicked out because of a lack of reliable power and the batteries did not last. I visited a business owner in South Fremantle, and I believe they have been in contact with the Minister for Emergency Services recently. They have some fascinating work happening on standalone power supplies for telecommunications towers that regional communities, mining sites and even the Defence Force might be looking at. It is a fascinating bit of work. It is basically the size of a sea container. It is put on the back of a truck and driven to a spot. It unloads itself, drops itself on the ground and turns itself on. If it is in a really hot spot in a fire, it will shut down, protect itself while the fire goes over and then turn itself back on and bring communications back to the area. There are some great things happening. I believe Hon Shelley Payne was with the minister in Esperance recently to see the first standalone power supply for that tower east of town. There are some good things happening. But it is a big state, as we heard from the minister, and the network is old and tired. A lot more needs to happen.

Like other speakers, I would also like to acknowledge Western Power workers for their quick and rapid response after a disaster—after cyclone Seroja and after the recent fires. I went back to Corrigin a matter of days after the fire and there was a semitrailer parked at the Brookton roadhouse with a load of poles on the back ready to go. A good friend of mine works for one of the Western Power crews and they get calls all hours of the day and night, and they get there in a hurry. They have a big job to do after the recent six weeks we have had, and they are doing that extremely well. The response, particularly around Corrigin, is that some of those spur lines are not being put back on the grid; they are going to standalone, which is a good move.

I particularly want to talk about the performance of the network and mention the midwest in particular. Many members will know that that 330-kilovolt line gets to about two-thirds of the way to Geraldton and then turns right and goes to a mine site. The City of Geraldton has advocated for some time that that line be upgraded and the extra power make it all the way to the midwest. It is an enormously important area in our state. There are enormous investment opportunities there. There are enormous renewable energy opportunities that need the grid power to help them kick off. Councillor Steve Douglas last year urged the government to strengthen that powerline to the midwest. When talking about the current south west interconnected system network, he was quoted in *The Geraldton Guardian* as follows —

"It's old, it's unreliable and close to full capacity. Most was built in the 1930's," he said.

"Unfortunately, despite strong calls over the past 10 to 15 years from the region's key stakeholders for an upgrade, the section between Three Springs and Geraldton remains an ageing, dual circuit 132kV line.

"This is not a new issue, this is a burning issue...all that Seroja has done is bring it to the surface."

Hon Darren West interjected.

Hon STEVE MARTIN: Hon Darren West, it is in the budget.

Hon Darren West: It was in the budget; Barnett took it out.

Hon STEVE MARTIN: Again, that was 2017—2018, 2019, 2020, 2021, 2022. Is it going to be in the budget in May?

Hon Darren West interjected.

**Hon STEVE MARTIN**: Let us see. Let us hope it is because the City of Geraldton is very keen for that bit of news from Hon Darren West that, quite clearly, this will be fixed. It is going to be in the budget.

Several members interjected.

The ACTING PRESIDENT (Hon Dr Sally Talbot): Members! Just take your seat, please, Hon Steve Martin. Only one member in this house has the call, and that is Hon Steve Martin. Other members may get the call if they are a little bit patient.

**Hon STEVE MARTIN**: Thank you, Acting President, I was enjoying that brief interjection from Hon Darren West. I will get back to the issue of the 330-kilovolt line to Geraldton. The midwest has enormous potential for growth and it needs that new line to get there.

I will make a couple of comments on the issue of different standards raised by Hon Colin de Grussa—nine outages in the metropolitan area and 16 in the bush. I think that explains quite clearly some of the issues the regions are facing. Obviously, the people who make those regulations know that it is worse out there and they are willing to shift the benchmark to cater for that. That is unfortunate. All Western Australians should have a safe and reliable power supply. I thank you for the opportunity to make a comment or two on the motion.

**The ACTING PRESIDENT**: Hon Darren West has been seeking the call for some time. Before I call Hon Darren West, can I just say that during the contribution by Hon Steve Martin, a member committed the unforgivable sin

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

of passing between me and the speaker. That person knows who he is and I feel absolutely certain that he will never, ever do it again and he will serve as a warning to others not to do it. Hon Darren West.

HON DARREN WEST (Agricultural — Parliamentary Secretary) [3.14 pm]: Thank you, Acting President. I acknowledge that there is not long left and I will allow some time for Hon Dr Steve Thomas to have a say. I am pleased that Hon Martin Aldridge brought on the original motion for debate. I support the amended motion as it stands before us. However, I am somewhat incredulous as to why the Western Australian opposition would come into the Parliament and want to spend two hours debating energy policy. I am quite intrigued by that because its time in government was appalling. Its standards slipped and by the 2017 election the worst government in Western Australia's history was swept from power. Indeed, one of its key policies was to sell Western Power and Horizon Powera distressed seller in a depressed market to fob off our energy assets. It had not put the investment in. Members of the opposition clearly do not understand energy policy, and that has been put on big display since. And they want to come in here now and talk about energy policy when the government clearly has the knowledge and understanding and has kept Western Power in public hands. That is really important because members can now come into the house and debate power policy with the government. Under the arrangements of members opposite, it would be sold off. Would there be the opportunity for us as elected members or members of the public to debate public energy policy? No, there would not. Keeping Western Power in public hands is very important to the people of regional Western Australia and they overwhelmingly voted for that. Members will remember the Use Your Power campaign put by that fine organisation, the Australian Services Union. That fine campaign made it loud and clear to everybody in front of the 2017 election, just five years ago, the distinct difference between Labor energy policy and coalition energy policy. People made a choice after that campaign, and they overwhelmingly told us. Opposition members may sit over there and wonder why their regional vote is declining every election and Labor's vote is growing. It is because people do not like the privatisation of public assets. They do not, because they know what happens from their Telstra experience. Our good friends at Telstra are starting to see the light and are turning around a little. However, if someone has issues with their telecommunications, they do not get the same level of response from their local MP as they do if they have problems with their power supply, because that local MP contacts the minister, gets in touch with Western Power and gets the problem sorted out. We apologise to people who lose their power. Nobody wants to see anybody without power. We have come to depend on electricity for our day-to-day lives and for industry. We know that, and we are looking at ways of improving that reliability. However, selling Western Power is not that way. That is not how we improve power supply in regional Western Australia and across the state.

There are lots of examples—I will not read them out because I am conscious of the time—of the minister who has been up-front and has apologised. The reason he can is because the buck stops with the minister. Under the opposition's system, the buck does not stop anywhere when a government flogs off public assets and no-one is made accountable for Western Power. It may be easier when one is in government, but it is not better to flog off public assets.

The second limb of the motion is about action to improve network resilience and performance. The government is doing that. The new microgrid in Kalbarri is working well. There are nearly 200 standalone systems across the state, and more to come. They came out of a fire or a storm at Ravensthorpe when power was taken out and a trial system was put in, and after two years everyone said not to put the powerlines back up because they were really happy with the standalone systems. That is the way we are going. We are building the standalone systems here in Western Australia.

On top of that, speaking as a farmer, we would be better off without all these power poles across our paddocks. We would not hit them with our machinery, and they would not be in the way. It is a better set-up to go standalone. Standalone systems work just fine. We are taking action. There is a battery in Perenjori, and a microgrid in Kalbarri—the biggest in Australia and, I believe, in the southern hemisphere. It is groundbreaking technology. The system is changing. We are integrating renewables, and trying to use more solar and wind. We are doing that, but there will be challenges in that transition. We are not hiding away from that, but Western Power is in public hands, and we are very proud of that.

Outage payments are under review, and there has been one example of where we have gone over and above. As the minister pointed out, outage payments were brought in in 2004 under a Labor government, and languished for many years under the coalition. They are now being reviewed, and I suspect the minister understands the importance of that payment. We have also launched the independent review of the Christmas outages. That was a particularly difficult time for a lot of people, and we know that and we think we can do better. We will do better by working with the community on a solution. We can talk all day in here about the problem. Everybody knows what the problem is. We have very long powerlines that do not deliver electricity 100 per cent of the time. We will have electricity for 99 per cent of the time. People living in regional Western Australia understand that. There is a risk in regional Western Australia that the power can go out, but I do not understand how people can lose hundreds of thousands of dollars or \$17 000 worth of vaccine; why not de-risk the business with a very small investment in a generator? It makes no sense why people

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

do not do that, because there will be days when there is no power. It just takes a falling branch or a motorist running into a powerline. There could be a thousand reasons why very long powerlines could short out.

The opposition will one day understand that electricity is dangerous; it can kill people and start fires. That is why whenever there is the slightest issue with the network, it is turned off. Most power outages result from the network being turned off. A good example of that occurred on our farm recently on the same day as the Corrigin fire. We had a pole-top fire in the evening. The fire brigade turned up, and thank very much to the units that responded. They put out the fire, and we called Western Power out. They isolated the line so that we could put out the fire, so everyone down the line from us had no power—but what is the alternative? Do we turn on the power and have wires running along the ground? Of course not! Members opposite will one day work out that electricity is dangerous and we should not take risks with people's safety or risk starting fires, especially in summer.

I could run through a lot of information. We all saw in 2021 the coalition's green energy jobs plan. What a debacle. I have the quote here from Hon Steve Thomas. I am sure he will tell us himself that it was the stupidest policy that had ever been taken to an election, and made Alexander Downer's "things that matter" look tame by comparison. The coalition's energy policy is a shambles, and has been for the last two elections. I urge members opposite to keep it that way, because it makes a very strong distinction between a government that cares about regional people and wants to get on with their future and supplying them with good quality, technologically advanced and reliable energy, and the alternative.

HON DR STEVE THOMAS (South West — Leader of the Opposition) [3.23 pm]: A brief part of the contribution of Hon Darren West, somewhere in the middle, actually referred to the motion, as amended, before the house. It might have been by accident, I suspect, because the first thing he did was go back into ancient history. He is obviously influenced by the Minister for Regional Development, to take us all the way back into history, trying to blame everybody who preceded this government. He could have gone all the way back to Sir David Brand and Sir Charles Court, who expanded the network across regional Western Australia. Once again, we tried, by perhaps unruly interjection, to bring the Labor Party around to discuss the current and future situation, rather than scoring political points, but these are ingrained behaviours. Thanks to the Labor Party we see another example of history being dragged out again.

I say to Hon Darren West that I have never once walked away from those comments—never once.

# Hon Stephen Dawson interjected.

Hon Dr STEVE THOMAS: Let us actually talk about what we should be talking about—it is on the public record—which was the intention of Hon Martin Aldridge to talk about what the future might look like, rather than the past. Instead of cheap point scoring, we are actually trying to have a debate.

Hon Stephen Dawson: What about the here and now?

Hon Dr STEVE THOMAS: The here and now is interesting, but let us go to the future. Some of the debate from the Labor Party has not been untrue today, such as talk about the powerlines in regional Western Australia, and the fact that at some stage in the future some of the longer lines serving small populations will not be there anymore; there will be alternatives. At this stage, standalone systems are a little bit clumsy, costly and inefficient. They are getting better, and there will be change in the future. I am a proud co-convenor of the parliamentary friends of clean energy, and we are looking at all things that might improve the system. This would have been a great debate if we had talked about how we might isolate and reinforce the individual resilience of power users. It will be a combination of solar energy and wind energy, but storage is the absolute holy grail. If we do not solve the storage issue and make it reliable and effective and able to last for, say, three days, it will mean that we still have powerlines. The storage issue changes this debate, and we are not there yet.

I have had some interesting debates with the Minister for Energy. I enjoy my debates with Hon Bill Johnston. I think they are great. We find lots of common ground and then debate around the edges. We have different models in mind for renewable energy—his is a centralised model and mine is a distributed model—but we have much in common that could have formed the centre of debate today. We should have been finding common ground to talk about, so that the future of energy distribution looks better than it does today. The intent of Hon Martin Aldridge was simply to point out that it could be done better, and the mere fact that the government had to take the opportunity to amend the motion and play games means that he touched a nerve.

# Hon Stephen Dawson interjected.

Hon Dr STEVE THOMAS: I said before, minister, that I do not mind the odd stunt myself—that is fine—but this was Hon Martin Aldridge's motion, not mine, and it was put forward in an attempt to get genuine debate about what the future of power distribution might look like, but the Labor Party pulled it back into the past, led by the Minister for Regional Development, ably supported by her sidekick the parliamentary secretary, bringing it back to a bit of past history and a bit of cheap politics. That is a shame, because we could have had a sensible debate this afternoon. We could have had a debate about what the future might look like and how we make it better, not the past.

[COUNCIL — Wednesday, 16 March 2022] p891b-907a

Hon Martin Aldridge; Hon Stephen Dawson; Hon Dr Steve Thomas; Hon Colin De Grussa; Hon Alannah MacTiernan; Hon Steve Martin; Hon Darren West

HON MARTIN ALDRIDGE (Agricultural) [3.28 pm] — in reply: I thank members—at least most members—for their contributions during the course of motions on notice today. My good friend Hon Darren West said that we all know what the problems are, and to some extent he may be right, but I am not sure that we do know what all the problems are. This debate was meant to be about some of the solutions for some of the people who regularly do not have power and with whom we interact as members of Parliament. What is disappointing about the motion in the amended form, thanks to the Labor government, is the significant deficiency on the original motion in many respects. Hon Steve Martin pointed this out. The government is now confining its apology to just those people who were affected by the 24 to 28 December outage. It is not interested in apologising to the people affected in January, February, March, or the year before that. It is not interested in them, just the 95 per cent of those people who live in the metropolitan area who were affected between those dates.

The other thing that the government has carved out is Horizon Power. Horizon Power no longer has relevance to this motion. My motion referred to an inquiry into both Horizon and Western Power as our two providers in Western Australia. Apparently, according to the government—all 19 members who voted yes—there is nothing to see on Horizon Power's network despite the fact that the ministers who provided responses in this debate talked about the remoteness, geographical and low-density challenges—but there is nothing to see here. Acting President, do not take my word for it; earlier this month, the Economic Regulation Authority recognised in its report that the government inquiry into what happened between 24 and 28 December is a metropolitan inquiry. It said that the state government commissioned an inquiry into the outages experienced in the Perth metropolitan area over the Christmas 2021 period. I am not making it up—that is your economic regulator, government members.

I said in my remarks that telling customers to get a generator is not a plan. Until fairly recently, the government resisted, but Hon Darren West delivered. The government denies there is a problem but when it gets caught in a corner it says, "Just go and buy a generator—what is your problem? Stop your whingeing and get a generator." I want to introduce members to Dongara resident Beverley Sharp by referring to an article in the *Midwest Times*, which reads—

Beverley Sharp spent \$3000 to rewire her home to ensure it was compatible with a generator.

But Ms Sharp said the physical and financial demands of running the system are immense for older residents.

"Fuel is \$1.70 a litre, and I had to get one on wheels because I can't lift the generator," she said.

"I have to pull it out of the garage, take it round the house to where the power meter is on the other side and then run the cord to it.

"Then I have to go and buy fuel in a container and carry that and fill the machine up myself and check the oil. It is not easy."

Ms Sharp is a persistent advocate for reliable access to power for her community, but said she felt her appeals were falling on deaf ears.

"People in Perth had outages in December and they are all up in arms about it being hot and not having power for two days but what about us in the country? We have been left behind here," she said.

"The town has gotten bigger and the infrastructure just simply does not meet the requirements of this area. (Western Power) used to come around and clean off the insulators on the power poles, but they don't do that anymore.

"We protest, we complain ... we have been doing this for years."

Members, what the house has said to Ms Sharp of Dongara today is, "Buy a generator." It has said that unless she was affected by the outages between 24 and 28 December, "We're not apologising to you, we're not inquiring into your concerns—buy a generator."

Question put and passed.