

Western Power —

Mr P. Lilburne, Chair.

Mr R.R. Whitby, Minister for Energy.

Mr J. Thomas, Deputy Director General, Coordinator of Energy.

Mr S. Barbaro, Chief Executive Officer.

Mr M. Cheney, Executive Manager, Transition and Sustainability.

Ms J. Hall, Chief Financial Officer, Finance and Regulation.

Mr G. Landsborough, Executive Manager, Asset Management.

Ms R. Gill, Senior Policy Adviser.

Mr J. Stephens, Senior Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available online as soon as possible within two business days. Questions must relate to the operations and budget of the off-budget authority. The chair will allow as many questions as possible. Questions and answers should be short and to the point.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Dr D.J. HONEY: We have left the best until last!

Ms J.J. SHAW: With 11 minutes!

Dr D.J. HONEY: Yes, we will go mad! We are going to knock it out of the park on this one. This is the end of the government, minister! You are about to witness something remarkable!

Mr R.R. WHITBY: You guys are strategic—there is no doubt about it!

[9.50 pm]

Dr D.J. HONEY: Thank you, minister. One topic I am very interested in is the degradation of significant amounts of equipment under the control of Western Power. Obviously, power network reliability is a critical deliverable from the agency. There have been criticisms over time of the reliability of the network, particularly in regional areas. I want to go through some examples.

If we look at Western Power's state of the infrastructure report, it shows the number of distribution poles under five years of age, which is a measure of whether it is getting older or younger. In 2016–17, there were 160 000 distribution poles under five years; in 2022–23, which is the last figures we had, there were only 70 000, so fewer than half. In 2016–17, there were 105 000 distribution cross-arms under five years of age; and in 2022–23, 70 000. Again, that is a significant degradation. Overhead distribution conductors were about the same, but distribution transformers are obviously pivotal: for 2016–17, 4 500 under five years; and in 2022–23, only 2 200. Pole-top switch disconnectors again are critical: 1 700 in 2016–17 under five years; and 700 in 2022–23. I could go on. In 2016–17, there were 7 500 dropout fuses under five years; and only 4 400 in 2022–23. My concern is that for some reason there appears to be an increase in the age of critical distribution equipment. That inevitably means a decrease in the reliability of that network. I am wondering why that is happening. Is there some strategy to increase the age of equipment? Does the government have any concerns about that, and is there a plan to reverse this trend?

Mr R.R. WHITBY: I know that Western Power has an enormous network spread out over a wide geographical area. In fact, it is spending many millions of dollars maintaining that network. I will pass on to Mr Barbaro for further explanation.

Mr S. Barbaro: Western Power has significant expenditure on the safety, reliability and resilience of the network. For example, over the last three years we have spent more than \$700 million each year maintaining our network. That expenditure on reliability is a roughly 60–40 split, with 60 per cent in the regions, and a 50–50 split between north and south. In terms of the age of assets, we do regular inspections of our assets, depending on what the assets are. Poles will be inspected every four years. Previously, an older methodology with respect to assets was using just the age of assets in terms of whether they were still serviceable. Over recent years, network operators have moved away from that and moved towards an asset condition-based approach. We inspect our assets and we look at their condition. We have taken wooden poles out of the ground that were 50 years old and looked like they did the day

they were put in. To pull them out and waste them, in terms of expenditure, is something that we try to avoid, so we do an asset-based approach.

Western Power has a significant program for improving reliability. The main one, particularly in relation to the regions, is moving to our modular grid, where we start to use more standalone power systems. Microgrids will remove a lot of the overhead network—a lot of the poles, conductors and things the member was just speaking about—and that is something that we are working towards, and it is being funded by government. Over time, those aged assets will be removed from our network completely.

Dr D.J. HONEY: What transparency is there to anyone in the outside world in terms of the reliability of the equipment? You can do condition monitoring, but I am just wondering what metric anyone else—or, in fact, the minister—can see to know whether the equipment is, in fact, being degraded in terms of assessing whether the equipment is in good condition and being maintained in good condition, or we are seeing a degradation?

Mr S. Barbaro: With respect to understanding the reliability of our network, we are regulated by the Economic Regulation Authority. Part of the access arrangement that gets issued to us every five years is a bunch of service standard benchmarks. Those service standard benchmarks measure the reliability and performance of our network. They are public performance measures that are available to the public to see how we perform. They are also published in our annual report each year. When we look at our network performance over the last, say, decade, performance has stayed relatively the same. However, there are seasonal factors each year that will change performance, depending on a number of factors. This year we have had a very long, dry spell—the longest dry spell that Western Australia has ever seen. That caused us, earlier this year, to have more pole-top fires than we would have seen in other years, when we have had rain during summer. Reliability has stayed mainly the same, but there are seasonal factors that change that, year to year.

Dr D.J. HONEY: The 330-kilovolt line from Three Springs to Geraldton is obviously a critical piece of state infrastructure. I pressed the former minister about this in the past. I understand that there has been planning. What is the status of the 330-kilovolt line? Are the plans complete in terms of assessing that line? Are there any plans to build that line in the new future?

Mr S. Barbaro: As part of the south west interconnected system demand assessment that was done by government, a project was allocated in that assessment to the line that the member mentioned, to unlock significant wind resources in the midwest region. Western Power has done planning work on that and scoped the work. The government has funded that work to the tune of \$655 million. We are starting the community consultation long-lead items. The planning for that is underway and construction will be underway within the next 18 months to two years to make that line. At the moment it is energised on one phase at 330 and the other phase at 132. We will energise it on both sides at 330. We will also do other works to disaggregate the 132 line from the 330 line to increase the capacity that that line can travel, and that will unlock about one gigawatt of extra power into the grid.

Dr D.J. HONEY: To be clear, I was aware that those lines were 330-kilovolt rated, but the transformers connected to them obviously were not. Is it the plan that the existing lines will be 330-kilovolt leading into construction of this new line?

Mr S. Barbaro: That is correct. When we constructed that line, both sides were constructed at 330, but one side has been energised at only 132. We need to do some works to energise that at 330—for example, building a new transfer substation at Regans Ford; at the moment, that is fed off a 132, straight off that transmission line. If we are going to energise it at 330, we will need to step down that 330 to a 132, so we will need some additional infrastructure. But it will be energised at 330 and, as I say, unlock one gigawatt of capacity.

Dr D.J. HONEY: That will settle an old argument with the former minister. I refer to connection times for customers. One of the principal issues we hear for housing estates and housing is delays in connection of customers. Can the minister explain what is being done to substantially reduce those connection times?

Mr R.R. WHITBY: There is a lot of work being done. When I became minister, it was one of the first things I drew my attention to, with a visit out to the Canning Vale facility, where a lot of the people in that area work. It is important to note that there has been improvement, and I can refer to Mr Barbaro for the detail of that, but there are various categories of connections, including simple, more complex, and more complex still. There is a range of expectations of what makes sense to deliver those services in a certain time. Obviously, during COVID, there were impacts for all sorts of reasons, including supply chain issues, but we have taken on board the advice and the cooperation of the UDIA in developing a better approach, particularly to the urban developments that the member talked about. There is the ability to contract out some of those services and the ability for the proponent to do some of that work upfront themselves and a whole range of other issues. There is more resourcing as well, in terms of the teams involved. It has had a positive result. We are not where we want to be yet, but we certainly have had improvements and we are trending in the right direction. Mr Barbaro can elaborate.

Extract from *Hansard*

[ASSEMBLY ESTIMATES COMMITTEE B — Thursday, 23 May 2024]

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Ms Jessica Shaw; Mr Reece Whitby; Dr David Honey

Mr S. Barbaro: I will talk to the timeframe. A number of initiatives were put in place. With respect to subdivisions, we put a program in place with respect to our design information packages. They were taking on average eight months in December 2023. They are now taking around three weeks for simple ones and nine weeks for more complex ones.

The CHAIR: Thank you very much for your contribution, Mr Barbaro. That completes the examination of the Western Power authority. Thank you very much, minister and members. That completes consideration of estimates by this committee. Goodnight.

Committee adjourned at 10.00 pm
