

**WESTERN POWER — CONNECTIONS**

*Grievance*

**MR R.S. LOVE (Moore — Leader of the Opposition)** [9.30 am]: My grievance today is to the Minister for Energy and concerns the delays in power connections through Western Power. I thank the minister for taking the grievance. I will detail three cases that have been communicated to Western Power through its ministerial liaison officer. Advice on these particular cases was given to the minister's office yesterday. Two of these cases involve new power connections, and one case requires an upgrade.

I will start with Goldacres, an industry-leading manufacturer of boom sprays. Its parent company is based in Ballarat, and further sprayer centres are located in St Arnaud in Victoria, Bordertown in South Australia and Goomalling in my electorate. With more than 200 employees nationally, Goldacres opted to expand its Goomalling operation more than 12 months ago by building a new workshop complex, an investment in excess of \$2 million. Western Power's advice to Goldacres set out a three-part process for connections that can take up to 18 months: the technical assessment takes three to six months; the design phase takes six to nine months; and the construction takes a further three months. Goldacres applied for a Western Power connection on 6 April 2022, and the technical assessment was completed on 29 June 2022. The project entered the design phase from 1 July 2022, and that is when it got bogged down. Some 17 months later, Goldacres still has a huge shed without power. The workshop manager, Mike Hutton, questions how much design work is needed when the existing power supply runs past the front of the workshop, 20 metres away.

Kakka Alley Brewing Company is a microbrewery in Jurien Bay's light industrial area. The microbrewery has been a dream of Stephen McLeary's since 2019, and he has invested more than \$1 million to bring his brewing and hospitality venture to fruition. However, the development has stalled while he waits for a power upgrade from 40 to 150 amps to run the brew kit. His electrical contractor applied for the power upgrade on 20 October 2022 and validation was completed on 8 March 2023. In May 2023, following an inquiry from my office, Western Power advised that connection times for small-to-medium commercial connections could take 12 to 15 months. It has been almost a 12-month wait, but Mr McLeary is hopeful his connection will be complete in six weeks' time at a cost of about \$32 000. Meanwhile, he has not been able to realise the value of his \$1 million investment. As the holder of a liquor licence to brew beer, Mr McLeary has had to go back to the Western Australia Police Force's licensing enforcement division and the local shire several times to amend his licence, which has involved further documents and the payment of application fees. Mr McLeary speaks of the huge strain that this delay has had on his finances and his personal health. Cashflow has been strictly limited. He cannot brew his own beer, is precluded from selling takeaway liquor and interest rates have taken a hike. In sheer frustration, he approached my office for assistance in April 2023. Western Power advised that the design for the Kakka Alley upgrade was standard, but all the same, the upgrade could take between 12 and 15 months. As I said, Mr McLeary is still waiting.

Sam Pulitano's development in Jurien Bay will see another five motel units and a laundry added to Jurien Bay Motel Apartments, the third stage of his existing development. His local electrical contractor applied for the connection on 17 October 2022 and says that the Western Power connection is a simple job that involves the installation of a green dome next to a power pole with the work expected to cost between \$9 000 and \$11 000. It is now 11 months since the application was submitted, and the design, promised in early August, has not yet been received. The work has been outsourced to electrical design engineers who will not return calls and building works have been held up. Any hopes that Sam had of getting the motel units complete before Christmas have been dashed. The operations manager, Joe Cangelosi, said, "The government has this massive surplus, yet it can't even supply us and many other businesses around the state with power after 12 months. It's embarrassing to say the least."

The member for Central Wheatbelt raised this issue with the minister in May, as did the member for Vasse. The minister conceded that Western Power's time frames for connection were not acceptable. Five months ago, he explained that applications for new connections had increased by 130 per cent over the past year. This is not a new problem. Again, during budget estimates on 25 May in relation to Western Power connection times, the minister said —

This is a serious problem, and that is why we are addressing it in a serious way.

What is the minister doing to rectify the power connection backlog that is, effectively, a handbrake on development in WA? What has the minister done to make sure that WA is in fact open for business? Why are power connections not triaged so that the straightforward connections are prioritised? When will we see some meaningful action in the area of power connection and when can those businesses expect to be connected?

**MR W.J. JOHNSTON (Cannington — Minister for Energy)** [9.36 am]: The member has asked about two different issues. I want to address the questions about his constituents. I know that the member has been dealing with both my office and Western Power.

In respect of the brewery, the project is currently awaiting scheduling for construction and that typically takes between seven and 12 weeks. Western Power has liaised directly with the owner of the brewery and has advised him of the schedule. In respect of the motel apartments, a quote for the works is expected to go to the customer in November. Once an agreement is reached between the proponent and Western Power, it usually takes about three months for construction to take place. In respect of Goldacres, energisation is expected on 11 October, so it will be completed shortly. The member asked what is occurring and suggested a triage process. Western Power has a triage process. However, the resources are the resources that are available.

The member has regularly raised this issue about the difference between the general government sector and government trading enterprises. I understand that the community does not understand those issues, but I would expect that the member, as a member Parliament who has been here for quite some time, understands the difference. The budget surplus applies to the general government sector and is not related in any way to Western Power. Western Power is a government trading enterprise. It is a business. Its resources come from the charges that it makes to its customers. The member is a member of Parliament who has been here for a long time. He is an experienced person with, I assume, a detailed understanding of these things. He would know that although there is a budget surplus, there is no relationship between that and government trading enterprises. Just to make it clear, and the member can explain this to his constituents, the budget surplus is used to build schools, hospitals and roads. The budget surplus is not money sitting in the bank, which people believe it to be, but the resources that the government of Western Australia uses to do the capital works that are so necessary to operate our community. I hope that the member explains these things to his constituents so that people's confusion about the difference between a budget surplus and the operations of government trading enterprises are not perpetuated, otherwise his constituents will not understand the challenges confronting Western Power.

The member mentioned that one project was outsourced. Given that there are not enough engineers in Western Australia to do all the work we want them to do, Western Power is outsourcing, but the problem is that all the electrical engineering businesses in Western Australia they outsource to are also busy because our economy is so strong with a range of projects across the state.

Western Power went to the United Kingdom to try to hire additional people. We need more electrical engineers and technicians to work for Western Power to meet the needs of its business, as so many people are asking for connections. We are trying to get more people. When we went to the UK, we found 50 additional technicians but, unfortunately, no engineers. We are now looking to see what else we can do with outsourcing arrangements, such as whether we can now outsource outside Western Australia to ensure that the technical expertise we need becomes available. If anybody can find an additional electrical engineer in Western Australia who is currently not working, send them to Western Power because Western Power has job vacancies today. It is not about budget. Western Power makes money out of these projects. The faster it can execute the projects, the more money it makes. It is not a budget question; it is a human resources question.

The good news here is that, unlike the last Liberal–National government that stopped training at Western Power, in 2017 we started a system for cadet engineers, bringing engineering graduates into Western Power when they leave university to give them experience. Just because someone has a degree does not make them capable of doing the work. We give cadet engineers an opportunity to learn on the job at Western Power. No apprentices were hired at Western Power in the last year of the Liberal–National government; now it hires 50 apprentices a year because we know labour availability needs to be addressed.

I have asked the chief executive of Western Power for a detailed program to make sure that the backlog is overcome. In September 2023, Western Power made some changes to the way it performs this work. Simple projects are now taking a shorter period, medium-level projects are taking about six months and complex projects are taking about nine months, which is a reduction in the delays of the past.

One challenge is global supply chains. People know that they have had trouble getting cars. Western Power has had trouble getting its components, so it is now ordering components in bulk, even before they are needed. Components normally would be ordered only when the project is approved. It is taking a range of approaches to improve the system, and it is shortening time lines, but there is no question that we still see extended delays.