

27 November 2019

«Owner»
«Mailing_Address1»
«Mailing_Address2»

**Kardinya South
Underground Power Project
Property Owner Survey**

Property Address:
«PROP_Addr1», «PROP_Addr2»

In September 2016 the State Government, through the Public Utilities Office, invited you to take part in a survey to determine the level of support amongst property owners for the power to be undergrounded in your area. The survey results at that time showed that 59.5% of respondents supported the project.

Subsequent to the survey, the State Government announced that the Kardinya South Project would be included in round 6 of the State Underground Power Program (SUPP).

In the first survey correspondence you received from the Public Utilities Office, the cost to the property owner was quoted to be an **average** total cost per property of \$4,424.

The final design and cost estimates for the Kardinya South Project have now been received from Western Power and this **average** total cost per property is now \$5,508, an increase of 24.5% over the amount estimated in the original survey. For this reason, the City of Melville and the Underground Power Steering Committee have decided that a follow up survey should be undertaken to ensure that the proposal to underground the power in your area still has majority support amongst property owners within the project area.

It should be noted that the average total cost per property quoted by Western Power does not consider whether or not a network connection already exists or if a new connection is required. This will affect the final amount to be charged to you.

The City of Melville, as part of the project team acknowledges the inconvenience caused by the cost increases and delays for the Kardinya South Project. We understand that residents must be kept informed and understand the implications. Should the project not achieve the required support in the resurvey, it is highly likely the project will be cancelled and would not be reconsidered for the foreseeable future.

In establishing the estimated charges, the City has considered the following factors:

- Property density
- kVA requirements as advised by Western Power
- The City's existing differential rating methodology for commercial properties
- Any existing infrastructure in-situ

The charges to be levied against a property comprise of two components. These are:

- Contribution to works external to the property which includes the new underground cabling, removal of the existing overhead powerlines, installation of the new street lighting system and installation of the ground mounted transformer and switchgear cabinets. This is identified as the **Network Service Charge**.
- Contribution to the installation of a green dome and the underground cable from the green dome to the meter box where required. This is identified as the **Network Connection Fee**.

The final charges to be levied for each individual property are dependant on the number of dwellings on the lot and the type of connection required at the time the project commences.

The City is aware that there are number of properties around Arnold Crescent and Urwick Close that were part of a localised undergrounding of power, as part of a sub-division in the early to mid-1980's. The properties at that time were part of the City of Cockburn.

It is not uncommon for a small number of properties within a project area to have underground power as part of a previously undertaken localised project. In previous underground power projects facilitated by the City of Melville, concessions have been applied to the affected properties in order to reflect the work previously completed.

Western Power have confirmed that you are connected to a transformer on Farrington Road which is in turn connected to the existing overhead network which will be undergrounded.

The cost of upgrading this portion of the network is directly related to the supply of power to your property. In addition, upgrades to the existing poles and lights in your area will occur.

You will be charged a substantially reduced network charge to cover the cost of these works as described below:

Network Service Charge

Properties included in the Kardinya South Underground Power Scheme area around Arnold Crescent and Urwick Close will each be charged an estimated network service charge of **\$518.28**.

Network Connection Fee

No Network Connection Fee will be charged as your properties already are connected.

Please note that pensioners and seniors who are eligible for a State Government funded Pensioner Rebate may receive a rebate on the above charges or defer payment in accordance with the provisions of the State Governments *Rates and Charges (Rebates and Deferrals) Act 1992*. The City will also work closely with residents to help develop payment plans that match individual financial circumstances.

Unfortunately the need to undertake this further survey will delay the commencement of the project even in the event that majority support is provided.

Although the project will commence in 2019/2020 (if the survey has a positive response) the costs of the project will be levied in the 2020/2021 and 2021/2022 rate notices. Payment can be made in instalments over an extended five year period, incurring a minimal interest charge (which is determined each year by Council). A property owner wishing to pursue this option should contact the City's Rates Department at the time the charge is levied.

A survey form is attached for you to complete indicating your support or otherwise, for the Kardinya South Underground Power Project. Your response should be returned to the City of Melville in the attached reply paid envelope by close of business, **Wednesday, 18 December 2019**.

If you have any queries on this matter please contact the City of Melville on 1300 635 845 or email melinfo@melville.wa.gov.au

Yours sincerely



Mick McCarthy
Director Technical Services

Enclosure: Survey Form & Reply Paid Envelope



Kardinya South Underground Power Project

Property Owner Survey

Please tick the box indicating your choice;

I Do Support

The proposed Kardinya South Underground Power Project

I Do Not Support

The proposed Kardinya South Underground Power Project

Property Owner: «Owner»

Property Address: «PROP_Addr1», «PROP_Addr2»

FOI Release - City of Melville - 20200040 - Keith McWhae