

17 July 2009

Enquiries: Roy Bailey – 9364 0674
Our Reference: {Enter Our Reference}

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Dear [REDACTED]

ATTADALE SOUTH UNDERGROUND POWER PROJECT

The City of Melville would like to invite property owners in the Attadale South area to take part in a survey to determine the level of community support for the installation of underground power in your area.

The Attadale South project is comprised mainly of those properties south of Wichmann Road in Attadale, and a small number of properties in Bicton and Alfred Cove. A plan of the project area can be viewed in the attached brochure.

The City of Melville has been involved in several underground power projects including Applecross, parts of Booragoon and Bicton and most recently Mount Pleasant.

This is an important opportunity for you to register your opinion and to assist Council in its decision making process. You are encouraged to complete the attached survey form and return it to the independent market research company, by 21 August 2009. The survey form is pre-addressed and postage paid.

The Minister for Energy has advised the City that its proposed Attadale South project area is one of only seven selected by the Underground Power Steering Committee to take part in Round Four of the Underground Power Program. To enable the Attadale South project to proceed, the City must first undertake a survey of property owners within this project area to determine the level of community support. Government funding for these projects is conditional upon majority support from project area ratepayers who respond to the survey.

Inclusion in the program means that 50 per cent of the project costs are subsidised by the State Government and Western Power, while property owners in the project area are required to fund the remaining 50 per cent of project costs.

Provided the City achieves majority support from the community and is subsequently approved by Council, it is anticipated that the project will commence in early 2010 and take approximately 18 months to complete.

The City of Melville supports the installation of underground power in all areas of the City that are presently serviced with overhead power lines. With State government funding subsidies being limited and a high level of competition from other local governments, undergrounding can only proceed gradually.

PROPERTY CHARGES

Based on current estimates, the property owner contribution for providing underground power to a typical single residential property is likely to be an **average** of \$4,000. The average cost is calculated after applying a matching 50 percent contribution from the State Government and Western Power. At this stage, these costs are estimates only and are provided as an indication of likely charges.

In past projects owner contributions for Underground power schemes have been based on the gross rental value (GRV) for each individual property.

Charges for units within multi-unit developments may be lower than a typical residential property however, this will be determined by the GRV of the property concerned.

Charges for commercial properties will be calculated individually based upon a range of factors including the property's electrical demand and GRV.

The City of Melville will act as a facilitator for this project and will be responsible for collecting the funding contributions from individual property owners.

To enable the City to meet Western Power's progress payments throughout the duration of the project, it will be necessary for the City to issue accounts with the 2010/2011 rates notice. Upon completion of the project when actual costs are known, any cost savings will be refunded to owners on a pro-rata basis.

More information concerning the method for calculating property owner charges is provided in the attached brochure.

POPULARITY OF UNDERGROUND POWER

Underground power is proving extremely popular throughout the metropolitan area and there is keen competition among local governments to secure projects and obtain the benefits of funding subsidies. Many Attadale South residents have contacted the City in recent times expressing their desire for underground power to be progressed in this area.

We encourage you to support this project at this time as it may be many years before the area is reconsidered. Also, there is no guarantee of future ongoing State Government funding for underground power projects.

Consequently, your support is requested as this could be a one off opportunity to progress underground power in this area. Please complete the enclosed survey and return it in the enclosed reply paid envelope by the due date of 21 August 2009 to register your vote.

I look forward to your response.



**RUSSELL AUBREY
MAYOR**