

Date 4 January 2021

Ms Kami Kaur
General Manager, A/g
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

via email: VIC2021-26@aer.gov.au

Dear Ms Kaur,

**Response to Powercor Revised Proposal 2021-2026: Request to upgrade Tyrendarra,
Strathdownie Cape Bridgewater and Gorae West to three-phase power**

The purpose of this letter is to express my support for upgrading single phase power to three phase infrastructure in South West Victoria.

I run an electrical business working across the south west Victoria for numerous business in both agriculture, retail and other manufacturing business. REC 7787

This investment has been called for by members of the our communities over a period spanning six years. Upgrading less than 100kms of single phase line directly supplying 1,130 Tyrendarra, Strathdownie, Cape Bridgewater and Gorae West customers is essential to capitalise on the Great South Coast's competitive advantages for economic growth and to unlock downstream economic and social value.

Specifically, this small investment of under \$9.5 Million will create:

- economic growth and scaling up of key industries such as food and fibre, which drives 60 percent of the regional economy,
- infrastructure to support significant investment in renewables, irrigation, high tech applications and machinery, the Internet of Things and smart farming,
- new jobs, upskilling, better servicing of customers through improved turnaround times, and enhanced function of social, education and community facilities, and
- a positive flow-on effect to affiliated industries such as tourism, retail, education, hospitality and other sectors in the region.

I am concerned that this proposal has previously been declined due to the numbers not stacking up due to low population density. Low population density in your process seems to disadvantage the region twice – firstly in the evaluation process where fewer people is falsely equated to reduced investment value, and secondly, where the user-pays model means we pay a disproportionate fee for the privilege of having infrastructure upgraded when it is well and truly past its use-by date. I understand that there are calls to re-examine this approach in terms of its unintended negative impact on regional communities and I cannot support this strongly enough. I consider it the role of government and power companies to fund the upgrade, with users charged for the electricity they use.

Thank you for your consideration. In closing, I urge you to proceed with this upgrade to enable South West Victoria's businesses, residents and wider community to invest, build resilience and sustainability, and take advantage of opportunities to strengthen supply chains and local manufacturing.

Yours sincerely,

Philip Mugavin
Proprietor
PD & WM Mugavin Electrical

