

22 July 2013

Warwick Anderson General Manager – Network Regulation Australian Energy Regulator GPO Box 3131 Canberra ACT 2601

By email

SPAusNetTransmission.2014@aer.gov.au

Dear Warwick.

Material Developments at West Melbourne Terminal Station

SP AusNet has been aware that Victorian Government plans for the East West Link may have an impact on the West Melbourne Terminal Station (WMTS) development but to date, have lacked a concrete plan from the relevant authorities.

On 15 July, SP AusNet received a letter from the Linking Melbourne Authority, the Statutory Body responsible for the East West Link, indicating that initial road design will likely require the compulsory acquisition of parts of the WMTS property (letter attached). Initial indications for the path of the new road would possibly render the current proposed solution for the WMTS redevelopment unworkable.

While detailed negotiation with the all interested parties is yet to begin, it is clear that the project timing and costs provided in SP AusNet's current Revenue Proposal may have to be revised materially. These revisions will not be available in time for the AER's Draft Decision.

The purpose of this letter is to inform the AER of these developments as a precursor to the more detailed discussions on how best to treat the WMTS redevelopment in the AER Draft Decision and, potentially, how best to deal with uncertainties that cannot be resolved in time for the Final Decision in January 2014.

SP AusNet would be happy for this letter to be published on the AER website to facilitate transparency.

Yours sincerely.

John Howarth

Manager, Regulation and Network Strategy

cc. Pradeep Fernando, A/Director Network Regulation



15 July 2013

Mr K Karafotias Manager, Program Delivery SPI Powernet Pty Ltd (trading as SP AusNet) Level 31, 2 Southbank Boulevard SOUTHBANK VIC 3006

Dear Mr Karafotias

THE EAST WEST LINK ROAD PROJECT 297-307 ARDEN STREET, KENSINGTON

I am writing to provide you with an update regarding the East West Link road project and, in particular, the planned release of the detailed design which will be used during the planning approvals process over the next few months.

Linking Melbourne Authority is the government agency responsible for delivering the East West Link. Since late 2012 we have been conducting investigations that have informed the design. We are now able to release details of the proposed route and key features including on and off ramps, details of where the tunnel will surface at either end of the roadway, and how the design allows for existing and future public transport developments.

Importantly for you, this detailed design identifies that your property is likely to be required for construction of the East West Link. I have included a map of the proposed project corridor to illustrate this.

I would like to emphasise that this design is not yet finalised. It may be amended following consultation over the next few months with the community, relevant regulatory authorities and ultimately potential builders of the project. Despite this, it is important that you be aware of the potential impacts so that you understand your rights and have the opportunity to participate in the planning process.

I would also like to emphasise that this letter is not a formal notice of property acquisition; we will be in a position to advise if this is to occur in early to mid-2014, which is when we expect the planning process will be completed. Please be assured however, that should this be the case the *Land Acquisition and Compensation Act 1986* provides a fair compensation process. I have included a brochure that explains some of the elements of the Act.

I encourage you to make contact with David McQuilton at Linking Melbourne Authority on 0401 839 025 so that we can arrange to meet with you at your convenience to explain things in more detail, answer your questions and understand your particular situation.

I appreciate this letter may raise questions and concerns for you, but please be assured we will be doing all we can to provide you with information and regular updates as the project progresses. I have attached a fact sheet explaining the next steps for the project, including the necessary work that is required before construction can commence.

Finally, if you no longer have an interest in this property or know of others who should be made aware of the information in this letter, such as a managing agent, tenant or landlord, I would appreciate it if you would contact us so we may update our records.

Yours sincerely

Ken Mathers

Chief Executive Officer

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If you require the assistance of an interpreter please phone (03) 9280 0753



Ref. ID 3038

EAST WEST LINK

Indicative alignment - final location to be determined



Property Plan

ADDRESS:

"NATIONAL ELECTRICITY SUBSTATION" 297-307 ARDEN STREET KENSINGTON

PLANNING ZONE: INDUSTRIAL ZONE 1

LOT/PLAN NO: 1/TP18018

TITLE:

CT 7945/143







SUBJECT PROPERTY LOCATION



East West Link

The Victorian Government is proceeding with plans to develop the first stage of the East West Link from the Eastern Freeway to CityLink, with consideration also being given to a further stage alongside CityLink to the Port of Melbourne area. Linking Melbourne Authority is the government agency planning and delivering the project on behalf of the Victorian Government.

One of our priorities is making sure that landowners in the project area are aware of the planning and consultation process underway as well as the potential for impacts. We encourage landowners to get in touch with us directly to discuss their views and concerns about the project. We are commonly asked about timeframes for the project and it's important to note that there are a number of steps before construction can start. The table below outlines these steps as well as some indicative timeframes:

July 2013

Release of a project design which identifies properties likely to be impacted by the road. This provides an indication to people, however it is not set in stone as engineering and planning work is continuing. It is also possible that the construction company engaged to build the project comes up with other ideas to minimise impacts.

July 2013

The construction and financing companies are invited to express interest in building the project. This is the very first step in the tendering process.

November 2013

The Comprehensive Impact Statement (or planning documentation) will be on display for public feedback, including details on the final recommended project design, benefits and potential impacts. Public submissions are invited and encouraged.

Early 2014

An Assessment Committee will consider community and other submissions as well as the planning documentation before making recommendations on the final project.

Early to mid 2014 Subject to planning approvals, we would formally commence acquisition by serving a Notice of Intention to Acquire to owners and occupiers. After this point, Linking Melbourne Authority would pay for all reasonable expenses directly arising from the acquisition including legal and valuation fees.

Residents would be given as much notice as possible to vacate their properties once this acquisition process commences. Compensation negotiations will take into account the unaffected market value of the property (assuming the project did not exist) as well as reasonable additional allowances such all moving costs and replacement property expenses including stamp duty for a new property. For businesses, the compensation would also consider relocation costs and business losses directly arising from the acquisition. We would negotiate possession timeframes for businesses based on the circumstances of each business and project requirements.

Late 2014

Construction would commence.

2019

Anticipated project completion.

More information

For more information about the East West Link: Visit: www.linkingmelbourne.vic.gov.au

Phone: (03) 8562 6800 Email: contact@lma.vic.gov.au



If you require the assistance of an interpreter please phone (03) 9280 0753

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