

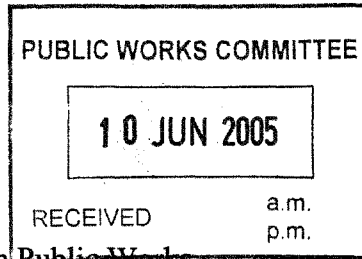


Australian Government
Department of Defence
Corporate Services &
Infrastructure Group

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Ms Vivienne Courto
Inquiry Secretary
Parliamentary Standing Committee on Public Works
Parliament House
CANBERRA ACT 2600



SUBMISSION 3

Dear Ms Courto

HOLSWORTHY SPECIAL OPERATIONS WORKING ACCOMMODATION AND BASE REDEVELOPMENT STAGE 1.

1. In response to the letter from Integral Energy tendered as submission two to the Parliamentary Standing Committee on Public Works (PWC), I offer the following comments.
2. Integral Energy has operated a substation on Defence land, the Anzac Village Zone Station, on Anzac Road Moorebank under a peppercorn licence since 1995. Recently, Integral Energy approached Defence with an offer to purchase the occupied land and an additional 1500m². Defence provided Integral Energy with the Priority Sale Guidelines from the Department of Finance and Administration for the purchase of the land, and also suggested an interim arrangement whereby Integral Energy could use the land under license from Defence until the sale can be approved. The terms of the licence have yet to be agreed and Integral Energy has yet to submit the Priority Sale Request for the purchase of the land.
3. The current licence arrangement calls for Integral Energy to give priority of supply to Defence sites in a load shedding situation. The licence also requires Integral Energy to provide Defence written notice before they supply power to other users from the substation. Defence's current power requirements and the requirement for the Holsworthy Special Operations Working Accommodation and Base Redevelopment Stage 1 project are less than the current power output of the Anzac Village Zone Substation.
4. Defence is investigating its electrical power requirements for the future development of the Liverpool Military Area. Once the requirements have been determined, Defence will enter into negotiations with Integral Energy as to the requirements of establishing a separate Zone Substation for the Liverpool Military Area if required.

Yours sincerely

P.J. Hutchinson
Brigadier
Director General Infrastructure Asset Development

6 June 2005