

AIRMAIL

PRIVATE No. 166

6th May, 1949.

The Manager,
Australian Blue Asbestos Ltd.,
WITTENOOM GORGE.

Dear Sir,

TOWNSHIP. POWER SUPPLY. (P.227)

The to date Power Cost calculated from figures shown in the Manufacture Report and Wages Disbursement sheet is 5.6d. per KWH. For the Settlement, transmission and distribution costs must be allowed, which we estimate will bring the cost at the Settlement to 7d. per KWH. We think, therefore, that a charge of not less than 9d. per KWH should be made and would prefer a rate of 10d. per KWH to be charged. The calculations for the above figures are shown below.

The charge per unit may be reduced at some future date when the Power Station is enlarged. Please let us have your comments on the proposed rate.

To Date Figures 3 M.E. 29.3.49

Cost (Wages Disbursement Sheet)

Wages £1102
Stores 3876
24978

Total KWH (Manufacture Report) = 213,438

Cost per KWH = $\frac{4978 \text{ pence}}{213,438} = 5.6 \text{ pence.}$

Depreciation and overheads say £1000 p.a. for 500,000 KWH p.a.
(Settlement only) = $\frac{1000 \times 240}{500,000} = 0.48 \text{ pence per KWH}$

15% line and transformer losses

Cost per KWH = $6.1 \times \frac{100}{85} = 7.2 \text{ pence.}$

Yours faithfully,

pro Managing Director.