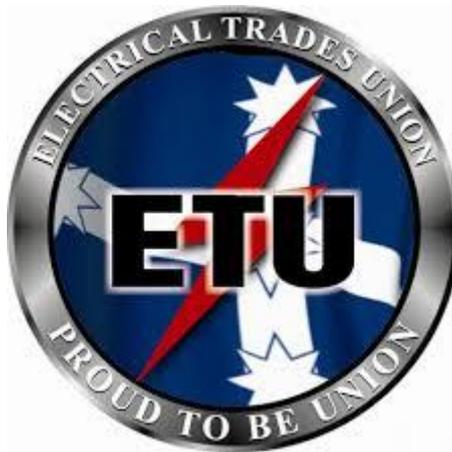


Electrical Trades Union Queensland and Northern Territory Branch



Submission 2020-2025 AER Draft Determination

January 15th, 2020.

This submission is on behalf of thousands of Electrical Trades Union Queensland and Northern Territory Branch members that are employed by the Energy Queensland group of companies, namely Ergon Energy and Energex. ETU members are employed across the State of Queensland and are required to work in extreme climatic conditions, they are required to work on the network in some of the most dangerous working conditions due to floods, fires, cyclones and storms. The safety of our members and the broader public is paramount to us as a Union.

We believe that the AER's modelling is flawed due to the primary focus being economic modelling and does not sufficiently take into account the geographic, climatic and economic impacts of a State the size of Queensland in comparison to the density of customers. The ETU is disgusted that both Ergon Energy and Energex must factor in the cost of a life in their calculations.

The Energy Queensland revised proposal outlines their approach to avoiding a return to a boom and bust investment cycles to deliver sustainable long term outcomes for all of Queensland communities and customers. This was one of the issues identified in the Sommerville report to deliver a long term safe, affordable and reliable electricity supply.

The ETU has had extensive consultation with Energex and Ergon in relation to the potential impacts of the draft determination by the AER.

We have serious concerns that asset replacement and defect rectification programmes that will be impacted if the revised proposals are not accepted by the AER will lead to a reduction in reliability and disturbingly a significant increase to the risk of injury or fatality as a result of an ageing network.

Capital Investment programmes that will be impacted are,

- Pole/Tower replacement
- Aged or undersized conductor
- LV services
- Substation switchgear
- Conductor to ground and conductor to structure as required by the State Electrical Safety Regulator, the Electrical Safety Office.

Summary

In summary, the ETU Queensland and Northern Territory Branch supports the revised summary provided to the AER by both Ergon Energy and Energex.