Mrs Jeanne Campbell

18th February, 2012

Mr Warwick Anderson

General Manager

Network Regulation

Australian Energy Regulator

GPO Box 3131

Canberra ACT 2601

Dear Mr Anderson,

I am writing with a submission against granting funding to Powerlink for the 500kv Transmission Lines. I feel very strongly about the way in which Powerlink has gone about the acquisition of the Easements, the way it has run roughshod over the communities wishes with their concerns regarding our health, land values, the environment and the list goes on and on and on.

As you can see by my address, I am affected by the Blackwall to Springdale 500kv Transmission Line. The first we heard of this line was in a letterbox drop back in 2009.The whole community was up in arms. There were 10 different directions in which the easements for this could go but they put it straight through our subdivision of Lockrose. This was obtained from the RTI documents that I received from Powerlink:

*Additionally, for the reasons stated above, both potential deviation options have been determined to be not feasible. Therefore, when compared with the two alternatives considered, the existing easement, on balance, represents the least impact route option across the Lockrose area of constraint.*

These lines as we have said on a number of occasions should be run as HVDC underground. All this upset could have been avoided if these lines were put underground. I know that HVDC is considered to be expensive but only the Converter Station has the high cost. A 500kv transmission network requires up to 150m wide easements. The underground HVDC line only requires an 8 metre wide easement to install and a 6 metre wide permanent easement after installation. The only restriction of an underground power cable is you cannot grow deep root vegetables or orchid trees in the easement. With new technology when a fault occurs it is transmitted back to the main control centre which in turn can pinpoint the fault to within 1 metre. HVDC underground requires a converter station at each end of the line, but the distance in between, is at this stage, is not limited by length. Some HVDC lines run for over 1000km so this would do away with the 88 hectares of land that would be needed for your proposed substations. If you put the Converter Station at Tarong and another at Blackwall you would be able to put to use the $990 million dollars that you would save on the 660 towers, at a cost of $1.5 million dollars each, this could be used for the undergrounding. We are not advocating for HVDC for just the Springdale to Blackwall line but for all the future lines that may run. This after all is the 21st Century not the dark ages. Australia must move forward with the times look at the Wonthaggi Desalination Project in Victoria. They are using HVDC undergrounding there.

Referring to Powerlink’s Revised Revenue Proposal

***9.6.5 South West Queensland maintenance***

***AER Draft Decision***

*The AER reduced Powerlink’s total proposed South West Queensland maintenance strategy costs by 85%. In doing so, the AER accepted Powerlink’s regional depot lease costs. However, the AER did not accept the step changes for Powerlink’s security requirements, vehicle lease costs and increased helicopter support. It considered these cost were included in the base year operating expenditure and were addressed by the network growth escalation in the next regulatory period.*

**Powerlink’s response**

Powerlink does not accept the AER’s decision that its future incremental helicopter support costs for South West Queensland are captured in Powerlink’s network growth escalator. Powerlink has previously advised the AER that to adequately meet the requirements of South West Queensland, Powerlink is required to change its existing maintenance delivery strategy243. With specific regard to helicopter support, this can be quantified through two significant changes to costs, namely:

*• a greater number of flying hours; and*

*• a larger helicopter.*

Think of the money that would be saved if these lines were put underground. No need for helicopters.

***10.2 Allocation of capital expenditure to “transmission line refit” asset class***

***AER Draft Decision***

*The AER considered that the standard asset life for the “transmission line refit” asset class is only appropriate for capital expenditure associated with surface preparation and painting works allocated to the new asset class. The AER considered that capital expenditure that results in a significant proportion of assets that have longer lives should be reallocated to the existing asset class of “transmission lines overhead”.*

*The AER considered that in general an asset class is comprised of a number of different asset components. The standard asset life of an asset class is also comprised of the average expected asset life of the different asset components. Information provided by Powerlink showed that approximately 20 per cent of the value of Powerlink’s proposed capital expenditure for the “transmission line refit” asset class was related to surface preparation and painting. The remaining 80 per cent of the value of expenditure associated with the refit works is comprised of other structural components of overhead transmission lines that the AER considered to have much longer lives.*

***Powerlink’s response***

*Historically, capital expenditure to improve or enhance an aged transmission line asset would have been captured in the 50 year “transmission lines overhead” asset class for regulatory reporting and would be applied to an existing asset and depreciated over the expected remaining life of the existing asset in financial reporting. This approach was reasonable as costs were infrequent and insignificant. However, the forecast of transmission line refit works is now of a magnitude that it will become material in the next regulatory period. Consequently, Powerlink recognised that in the regulatory framework it would be inappropriate to capitalise an asset to an asset class that significantly overstated the asset lives.*

*Powerlink does not consider that the other structural parts of a transmission line refit capital expenditure should be separated from surface preparation and tower painting for depreciation purposes. When assessing the life of any part of an asset, the remaining economic life of the associated or existing asset should be the primary consideration for determining the life of the part. Individual parts may last longer but are worthless if they are not part of a functioning asset, particularly as it is not efficient to salvage individual parts of a decommissioned transmission line.*

We are talking in the thousands of millions of dollars just for the refit of these lines, and the more of these lines that are allowed to be constructed, the more money that will be poured into a never ending bottomless pit. *However, the forecast of transmission line refit works is now of a magnitude that it will become material in the next regulatory period.* The mind boggles at the utter waste of money that will be achieved each time a refit is necessary.

Andrew Reeves comment to Merryn York at the meeting held in Brisbane on Wednesday 14th December, 2011.

***Merryn York (Powerlink):*** *How would the AER like Powerlink to test easements? For instance, should the test involve going out to the community to foreshadow potential easements acquisition?*

***Andrew Reeves (AER):*** *Recognised this is a difficult issue for which there is no hard and fast answer, but the effort that goes in should be commensurate with the size of the project/program. Andrew clarified that the AER is not advocating the running of a “dummy” process but that assessment of corridors and community concerns is important. The AER did not see evidence that appropriate non-network solutions had been canvassed with the 500kV projects. Andrew noted that the interaction of TNSPs’ requirement to meet planning laws and the role of the economic regulator in approving major projects expenditure was discussed at the recent Standing Council on Energy and Resources Meeting.*

Comments made by Ms York to the Gatton Star, Wednesday 7th September, 2011.

***“There are no health, environmental, social or economic factors preventing the project from proceeding”.***

We must say we did love the comment:

***“Powerlink recognises that there is community interest about the Electric & Magnet Fields (EMF),” Ms York said.***

That was an absolute classic. It is not interest, it is FEAR!! Maybe if Ms York did come out into the community and met and talked to that community she wouldn’t be saying ridiculous comments like stated in the press.

As far as Revenue is concerned.

*The AER does not accept all elements of Powerlink’s revenue proposal and has determined lower revenues than those proposed.*

Look at your own building blocks for the discrepancy in costs.

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| **Regulatory asset base**  **Powerlink proposal**  \_ opening $6576 million  \_ closing $9982 million | **AER draft decision**  \_ opening $6576 million  \_ closing $8877 million  \_ 35 per cent increase during |

|  |  |
| --- | --- |
| **Capex allowance**  **Powerlink proposal**  \_ $3488 million ($2011-12) | **AER draft decision**  \_ $2360 million ($2011-12)  \_ decrease of 23 per cent |

|  |  |
| --- | --- |
| **Demand forecasts**  **Powerlink proposal**  \_ 10252 MW (2012-13) to  12437 MW (2016-17) | **AER draft decision**  \_ 9632 MW (2012-13) to  11146 MW(2016-17) |

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| --- | --- |
| Cost of Capital  **Powerlink proposal**  \_ 10.30 per cent  \_ $4185 million (nominal) | **AER draft decision**  \_ 8.31 per cent  \_ $3142 million (nominal) |

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| **Opex allowance**  **Powerlink proposal**  \_ $1002 million ($2011-12) | **AER draft decision**  \_ $920 million ($2011-12)  \_ 15.2 per cent increase (real) |

How can there be such a big discrepancy between the AER’s totals and Powerlink’s total?

How can Powerlink get it so wrong on all fronts?

*Page 102 of Powerlink’s Proposed Revenue Proposal:*

*A number of social impacts and issues are commonly raised during public consultation for transmission line projects. Powerlink therefore considers these matters throughout the early phases of a project including corridor selection and preliminary line layouts. Specific measures to mitigate and manage potential social impacts are described in the Environmental Impact Statement (EIS) for individual projects, so they can be considered during the approval process. The EIS documents are published on Powerlink’s website during the easement consultation process.*

*As an example of the types of social issues incorporated in the 500kV project planning, Figure 7.2 shows the categories of issues raised during the public consultation process for the recent Springdale-Blackwall 500kV environmental impact assessment. The top four issues were:*

*• visual impact – tower location, tower height, visual amenity and location of line within easement;*

*• property impact – property value, property compensation, proximity to home and current planned land use;*

*• construction impact – vegetation removal, fauna, dust, weed, pests and traffic; and*

*• the consultation process itself.*

*A total of 1,493 issues were raised, all of which must be considered and appropriately addressed by Powerlink in seeking planning approval under SPA.*

Don’t get me started on the EIS, with so many glaring mistakes in this document we asked when these mistakes would be rectified and were told “We’ll do them later”. My understanding of this legal document was that, before it could be handed to the Minister for him to sign off, EVERYTHING must be in order. How do we know that this has been achieved? Do Powerlink contact submitters so we can get to read the final document?

This was taken from July 2011 submission for the EIS:

*Potential Impacts and Mitigation measures 7.1.2.*

*The construction and operation of the transmission line will have an impact on a number of land uses and attributes in the area including; property values in the short term, property usage, airport operations, roads and railways and the amount of good quality agricultural land in the area. However the overall benefits received to the community at large by the Project combined with the implementation of the mitigation measures within this section, will ensure that the overall impact of the Project is not significant.*

*You haven’t even started building these lines and already the overall impact of this Project is extremely significant As I mentioned above, the house prices has dropped astronomically, our $400,000 is now down to $200.000. In the latest Property Extra, you can buy a 3 bedroom, 2 bathrooms in our area $169,000. The 7 bedroom, 4 bathrooms with a separate Granny Flat, on 3 ½ acres, has dropped by $50,000 and that is in Gatton. That is now down to $433,000, this is a house that has everything, solar panelling, the works. Everything that one desires. The latest book is full of houses in the areas that these lines are going through, and they are much, much cheaper than they are in the other surrounding areas, but none of them are selling. When you compare the same types of houses in the 2 separate areas, there is a vast difference in the prices. These transmission lines have certainly downgraded the price to an all-time low. Most people don’t want to live near these lines and even thought the prices are very low, they just aren’t buying in these affected areas.*

I have included an Attachment 1, House Prices by UQ which is a study called **The Impact of Transmission Lines on Property Values: Coming to Terms with Stigma. Peter Elliott, David Wadley**

The mean house price in Lockrose at the end of 2010 was $225,000 at September, 2011 the price had dropped to $175,000 this price was set by the Real Estate Institute of Queensland.

Below are more mistakes in the EIS that had not been corrected.

*Airport operations 7.1.2.6*

*The Project directly impacts on the prescribed airspace of the Amberley Military Airbase as proposed Towers SP72 to SP98 protrude above the 15 m, 45 m and 90 m obstacle limitation surface areas imposed by the prescribed airspace. This matter has been dealt with in Chapter 4 (Statutory framework, approvals and conditions). Powerlink is currently in discussions with the Department of Defence regarding the potential impacts of the transmission line to operational airspace around the Amberley Airbase.*

*What about the proposed Airport at Lake Clarendon, near Gatton? These lines will have an enormous impact on the taking off and landing of these aircrafts. It is planned by the end of the year of completion that a service will be run twice a day to Sydney. This should be a boon to the area, but how will these lines impact on the running of this Airport? What about Balloons Above? How will they cope with all the lines around the area? Only on Tuesday, 12th July, 2011 did we had a balloon full of sightseers pass over our houses. This was a magnificent site to behold. It was so low we could wave to each other as it passed towards Tarampa. What will happen to this wonderful tourist attraction to our area? Also what about the Parachuting business on the Warrego Highway? What will happen to their business? They not only skydive, they take off and land the plane in the paddock adjacent to the highway. As a customer I would be extremely concerned about making a jump from an aeroplane knowing that I could drift onto these transmission lines. Only recently a woman was badly injured when she became entangled in the power lines near Laidley. These businesses are a boon to our area and these lines will make it decidedly unprofitable for them to continue to operate.*

Bonzle, Attachment No. 2

*Demographics 7.2.1.3*

*You state in the EIS that Lockrose boasts a population of 1,669 persons.*

*824 Males, 845 Females, 56 Indigenous persons.*

*There are 19 streets in Lockrose, boasting 193 Houses, 3 granny flats, 1 church & 1 school.*

*If we assume there is one adult male in these houses, where are the other 631 males living? If we assume there is one adult female living in these houses, where are the other 652 females living?*

*By your reckoning 4.4 males live in each house with 4.5 females living in each house as well. That’s an awful lot of adults sharing houses in Lockrose. We are a monogamous society after all, aren’t we?*

*You state that there are 122 children under 4 years, 269 from 5 – 14 years & 241 from 15 – 24 years, we’ll split the 241 in half & make that 121 & make the age 19 years. That is an approximate total of 512 children in this area. If there are 269 primary school age children, where do they go to school?*

*Lockrose State School has 32 children enrolled at the present time. To my thinking that leaves 237 children that are not going to school, even if we say that 100 children are obtaining an education elsewhere, that still leaves a total of 137 children unaccounted for. If we take the 121 in the 15 – 19 age brackets, they would be in High School in either, Laidley, Lowood or Faith Lutheran or possibly Gatton. That would be a total of 512 children from 0 – 19 years living in the 193 houses in Lockrose which is 2.3%. That is in every house in Lockrose. But as stated below, households in Lockrose are primarily couples without children!!*

*Later you state that there are 442 families living here, now these 442 families are living in the 193 houses in Lockrose which equates to: 2.4 families in each home. Of those 442 families, 186 are without children, so that means that 156 families have 512 children between the ages 0 – 19 years which is 3.5.*

*I know the accounting for your figures are totally wrong. This paper was taken from 2006, which is 5 years ago. Below is a copy taken from RPData, which like yours is dated 2006, but with information that is much more accurate. This information is something that the Real Estate Institute relies on. These figures are entirely different to yours, the figures you have obtained came from a paper which was taken from the Energex website, from their data/assets of the combined Abermaine Statistics.*

*The current median sale price stated is correct as of the time of this letter, July 2011. With the proposed building of these lines the bottom has fallen out of the market, prices have dropped everywhere all over Queensland, but none more so than here in Lockrose and areas where these lines will go through. If you want to drag a suburb down you are certainly going about it in the best possible way!!! You can now buy a brand new 4 bedroom, 2 bathroom, double garage under the roof on 2 ½ acres in Gatton for $285,000 & they can’t even give them away, nobody wants to live near a gas fired plant or have high tension wires running over or near their property.*

*The size of Lockrose is approximately 16 km².  The population of Lockrose in 2001 was 409 people.  By 2006 the population was 458 showing a population growth of 12% in the area during that time. The predominant age group in Lockrose is 10 - 19 years.  Households in Lockrose are primarily couples without children and are likely to be repaying between $600.00 - $800.00 per month on mortgage repayments. In general, people in Lockrose work in a non-specific occupation. In 2001, 72% of the homes in Lockrose were owner-occupied compared with 73% in 2006.*

*Currently the median sale price of houses in the area is $175,000.*

*You have tied our hands with the proposed building of these lines. We never even had time to prepare ourselves to move to another area. Now that the bottom has fallen out of the market, what are we to do? We can’t sell, as we can’t afford to purchase another home. Are you prepared to make up the short fall if we do sell our house? I think not! Prices will eventually come back up, but will my husband & I still be alive to take advantage of the fact? I don’t think so. This is your statement below, 20 years ago is NOT now, 20 years ago was back in the dark days when technology wasn’t moving ahead as fast as it is today. Keep up with the times!! Put it underground!!*

*Powerlink has a responsibility to develop an electricity network to meet the security and reliability standards of the National Electricity Rules and the Electricity Act. Part of this process involves identifying through investigation, areas of future supply requirement. It is for this reason that Powerlink is required to complete this project in its current location. It has endeavoured to plan and inform land owners as far in advance as possible, thus the reason for route identification and the acquisition of easements some 20 years ago.*

*Table 7.5 Facilities in close proximity to study area*

*Education (government)*

*Primary Schools*

*Gatton, Lake Claredon, Glenore Grove, Lockrose*

*Secondary School*

*Gatton, Glenore Grove, Lockrose,*

*I will have lived here for 6 years on Friday 22nd July, 2011 and I never knew that Glenore Grove, and Lockrose had Secondary Schools. Particularly Lockrose as I am sure my neighbours, who have children in High School, would love to send their children there, rather than them catching the bus at 8.10am every morning to go to Lowood. I am assuming that Secondary School means High School in this country? I come from a country that has Intermediate School & High School as well as Primary School. There are not any High Schools at either Glenore Grove or Lockrose.*

*Lifestyles, character and amenity 7.2.2.7*

*Ongoing consultation will assist in communicating the extent of the infrastructure required and Powerlink will work with the community to minimise the visual impact of the project. This includes meeting with property owners to refine tower location and size and providing specialist visual impact mitigation advice and support.*

*As of 8.15am this morning 14th July 2011, nothing has been said to the community about the survey of our area. We were very surprised to see a surveyor in the paddock at the end of Dawn Court putting a Star Picket tied with a hot pink ribbon and the No. 33 written on the side, into the ground. This we know is Tower 33 from Springdale to Blackwall. So much for Powerlink informing the community about where these towers will be placed. We have been asking for an inordinate amount of time, how big will the towers be? How high will they be? How close to the houses will they be? And exactly whereabouts in the paddock are they going? Nothing has been forthcoming from Powerlink, so, so much for them informing us as a community, as to what is going on.*

These are just a few of the massive mistakes in the EIS that has been put out by Powerlink. It is a pity that the monies for the Springdale to Blackwall Transmission Lines cannot be withdrawn until such times as all avenues have been looked into. There are so many issues that have been raised about this particular line and nothing has been done about it.

Before more funding is released to Powerlink the issues that are raised above need to be investigated. The problems will not go away and will occur again and again in different parts of the State. People are starting to fight back when they are put in an untenable position. We are seeing this time and time again. Now is the time to stop and sort it all out before it all gets totally out of hand.

Put a freeze on all monies, do a complete costing with firms like ABB or Siemens and consider putting these lines underground where they belong. Save money and make everyone happy that this new technology is used in the manner in which it should be and not using an out-dated, antiquated and unsafe systems that should be left back in the dark ages.

Thank you for the opportunity to lodge this submission.

Yours sincerely,

Jeanne Campbell