



3 June 2015

**Hon. Mark Bailey MP**

**Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply**

**Energex Second Loganlea to Jimboomba 110kV Powerline – Logan River Section**

Dear Minister,

On Friday 29 May 2015, VETO representatives met with the Member for Logan, Hon. Linus Power MP and Logan City Council to clarify Council's position on the preferred route for Energex's second Loganlea to Jimboomba 110kV powerline.

At this meeting Logan City Council CEO Chris Rose stated, in relation to the Logan River section that:-

- Council was still in 'without prejudice negotiations' because Energex were appealing Council's rejection of Energex's works applications for the 5 overhead river crossings along the Logan River;
- Problems with the powerline route were the result of Energex's past poor consultation;
- Logan City Council's preferred route was the all underground route developed by Council which has only one Logan River crossing.

At this meeting Linus Power agreed to ask you for an independent assessment of costs for Energex's overhead powerline route along the Logan River because as shown in Appendix 2, it is unlikely the cost of the "complex overhead construction"<sup>1</sup> along the Logan River can be half the average construction rate of the overall powerline.

Appendix 2 also shows that when the average construction rate for the overall powerline of \$2.77 million/km is applied to the Energex 6.5km complex overhead section along the river, the cost of this "complex overhead construction"<sup>1</sup> along the Logan River is more likely to be at least \$18 million, while the recently developed compromise route, with 3.7kms of "complex overhead" along the Logan River including three overhead river crossings and an 800 metre double under river bore is more likely to cost at least \$19 million.

In contrast, Council's Off-Logan River underground Alternative was assessed by Industry Consultants to be feasible and estimated to cost between \$19.1 million to \$17.1 million<sup>2</sup>. Both these estimates are consistent with the overall average construction rate of \$2.77 million per kilometre and it is obvious that, **contrary to Energex claims this Off-Logan River underground Alternative route is NOT \$10 Million more<sup>3</sup>.**

Instead Council's Off-River underground Alternative is more feasible and accessible for construction and maintenance than the proposed 800 metre double under river bore proposed for the Compromise Proposal. **In addition the following Community benefits can be delivered with Council's Off-River underground Alternative:-**

- 1) This Alternative could be totally underground with only one river crossing at the Geoff Philp bridge to reduce the impacts for residents, the Logan River, the Logan Village urban footprint and future enhancements for the historic township of Logan Village and the Logan River environment;

- 2) Most of this Alternative is away from and above the Logan River flood hazard zone. It is accessible from existing roads, doesn't require 7kms of access tracks and will be able to deliver a more reliable service than the overhead powerline along the Logan River;
- 3) This Off-Logan River Alternative avoids the uncertainty of the 800 metre double under river bore and the lasting impact of three overhead river crossings and 3.7 kms of Overhead powerline with a 40 metre cleared easement along the Logan River and through the Logan Village urban footprint;
- 4) The one remaining directly affected resident has agreed in writing to Council's proposed undergrounding through his property and along Pleasant View Road (south of the water grid pipeline), along property boundaries and adjacent to a dam rather than through productive agriculture land;
- 5) Energex are obliged to select the lowest cost option and **Council's Off-Logan River underground Alternative appears to cost less than both the Energex proposed "complex overhead construction"<sup>1</sup> along the Logan River with 5 river crossings AND the recently developed Compromise proposal with 3 river crossings;** and
- 6) This Off-Logan River Alternative is acceptable to our Community, does not require a RIT-D re-assessment<sup>4</sup>, **could be constructed without further community opposition and would demonstrate your Government is listening to our Council and Community.**

We appreciate our cost estimates are based on averages but these are the only current costs we can access, as Energex consistently black out cost details in Right-to-Information requests claiming commercial-in-confidence and Energex have consistently avoided transparency of costings for this project.

We are extremely disappointed the independent review proposed by Council and agreed to by the Energex Board at the end of last year didn't occur. We believe this review would have shown that **Council's Off-Logan River Alternative will cost less** than the overhead powerline proposals along the Logan River.

We therefore urge you to have these costings transparently and independently assessed before the wrong decision is made. We would also be pleased to meet with you to explain our concerns and **the community benefits that can be achieved by supporting Logan City Council's Off-Logan River Alternative.**



**Paul Casbolt**  
**VETO President**  
**on behalf of the VETO Committee**

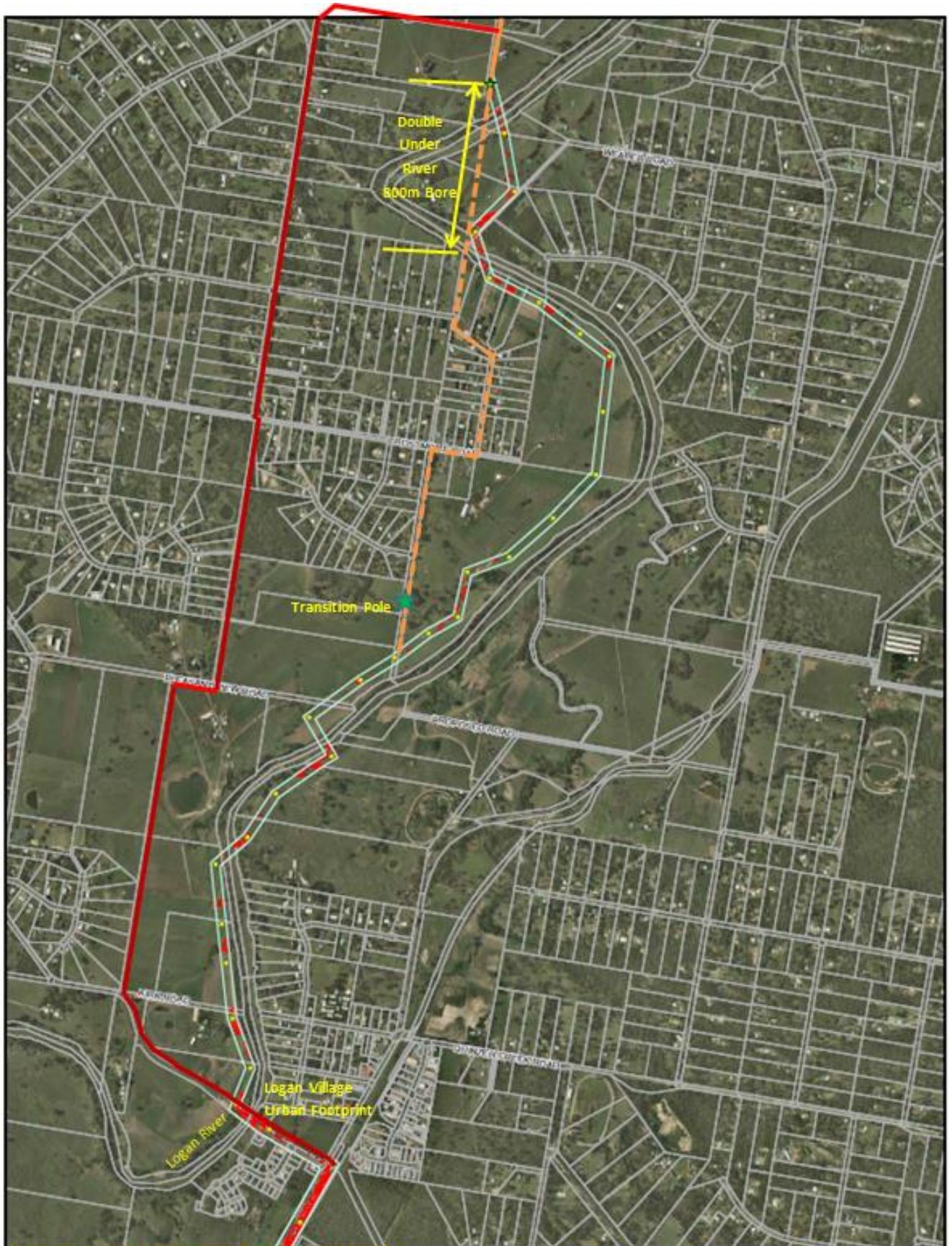
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Encl. **Appendix 1 - Map of Proposed Powerline Routes in Logan River Section**

**Appendix 2 - Cost Estimates Summary**



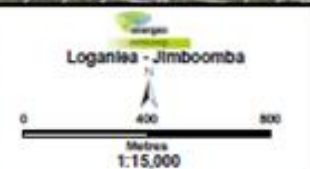
# Appendix 1 – Map of Proposed Loganlea to Jimboomba 110kV Powerline Routes in Logan River Section



Energex Map provided with Minister's CID Approval (28Nov2012) plus

- LEGEND**
- ★ Transition Pole (proposed)
  - Poles
  - Easement Boundary (for proposed Overhead powerline)
  - Amended Powerline Route, Underground
  - LCC Q&A Logan River Underground Alternative
  - Vegetation to be Cleared
  - DCDB
  - Proposed UG Extension

**DISCLAIMER**  
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**Appendix 2 – Energex second Loganlea to Jimboomba 110kV Powerline**  
**Logan River Section – Cost Estimates**

**1. Average Rate Cost Estimates**

Route	Cost (\$M)	Distance (kms)	Ave. Rate (\$M/km)
Energex Second Powerline Project	64.2 <sup>5</sup>	23.2	<b>2.77</b>
LCC Off-River Underground Alternative	19.1 to 17.1 <sup>2</sup>	6.8	2.8 to 2.5
Energex Overhead along the Logan River	9.1 <sup>6</sup>	6.5	<b>1.4 ?</b>
<u>Compromise Proposal</u> 800m Double under River bore plus 1.8 km Underground to Transition pole on Logan River.	3.8 <sup>7</sup>	2.6	<b>1.46 ?</b>

**2. Alternate Route Cost Estimates**

Route	Distance (kms)	Ave. Rate (\$M/km)	Cost (\$M)
LCC Off-River Underground Alternative	6.8	2.5	<b>17.1</b>
Energex “Complex Overhead” along the Logan River with 5 River crossings.	6.5	2.77	<b>18</b>
<u>Compromise Proposal</u> 800m Double under River Bore plus cost of Bore (\$1-2 million) <sup>8</sup> plus 1.8km UG and 3.7km Overhead along Logan River.	0.8	2.77	2.2
	5.5	2.77	1.6
Cost estimate =			<b>15.2</b>
			<b>19</b>

**References**

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- 1 Logan River section described as “Complex Overhead” in Energex Final Initial Assessment Report (June 2010) page 2-2
  - 2 Logan City Council consultants estimate was \$19.1M, revised by Energex to \$17.1M (as advised by LCC)
  - 3 As claimed by Energex CEO at Budget Estimates 17 July 2014 and in correspondence to Council 1 August 2014
  - 4 RIT-D (Regulatory Test for Distribution) doesn’t apply as the second powerline remains the preferred option
  - 5 Queensland May 2014 Budget Capital Statement 2014-15 page 44 & Energex DAPR Sept 2014 Vol2 page 889
  - 6 Claimed by Energex, as advised by Logan City Council
  - 7 Claimed by Energex, as advised by Logan City Council
  - 8 Based on recent Horizontal Directional Drilling costs available from UEA Trenchless, Yatala.