



Minister for Mines and Energy

Your Ref: Petitions

Our Ref:

ME/08/1476, MC1091

1 5 SEP 2008

Mr Neil Laurie The Clerk of the Parliament Parliament House Cnr Alice and George Streets BRISBANE QLD 4000



Dear Mr Laurie

Thank you for your letter of 16 May 2008 concerning Petition No 1063-08 received by the Queensland Legislative Assembly, calling for an independent review of the Ergon Energy and **ENERGEX** distribution networks.

I am aware of concerns expressed by the Electrical Trades Union (ETU) with respect to the state of electricity distribution networks. In response, the Department of Mines and Energy (DME) undertook a review of these networks to identify any potential systemic maintenance issues. As part of this process, DME obtained information from the distributors and has also engaged Mr Bill Glyde, an independent expert electrical engineer, who previously provided technical assistance to the review of the networks in 2004.

It has been established by DME, through regular network performance reporting, and recently confirmed by Mr Glyde, that both Ergon Energy and ENERGEX operate at reliability levels which are better than Minimum Service Standards established within the Electricity Industry Code.

Also, audits and other investigations conducted by the Electrical Safety Office since 2004 have not indicated any systematic electrical safety problems within the operations of both Ergon Energy and ENERGEX. Additionally, since 2004, Ergon Energy and ENERGEX have each been issued annually with a Certificate of Compliance by a third party auditor. The Certificates state that Ergon Energy's Safety Management System and ENERGEX's Safety Management System comply with the requirements and obligations imposed by the Electrical Safety Act & Regulation 2002.

However, the Review also found that certain reporting mechanisms could be improved, and made recommendations for improving them.

My department is currently working with the distributors as well as the relevant unions, to implement new reporting arrangements as recommended in the review.

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I consider that the review is an appropriate response to the concerns raised.

Thank you for bringing this matter to my attention.

Yours sincerely

GEOFF WILSON MP

Minister for Mines and Energy