



Speech by

Robert Messenger

MEMBER FOR BURNETT

Hansard Thursday, 30 November 2006

ELECTRICITY AND OTHER LEGISLATION AMENDMENT BILL; ENERGY OMBUDSMAN BILL

Mr MESSENGER (Burnett—NPA) (6.32 pm): In rising to speak to this cognate debate, I will direct most of my comments to the Energy Ombudsman Bill. This bill essentially establishes an independent body that will mediate disputes between the electricity consumer and the electricity supplier.

As a member of parliament, I am often called upon and asked to help mediate and advocate for constituents who have difficulty with the government owned corporation electricity provider. I recently had a conversation with a gentleman who I will describe as a Burnett battler. He was trying to owner-build a home for his family. The gentleman I spoke to is your typical Aussie worker who wants to give his family the best opportunities and quality of life. He was attracted to the Burnett because of the relatively cheap land, housing prices and the lifestyle. In order to save every cent where it is legal, he is working as a trade assistant for the building professionals he has employed—carpenters, concreters and electricians. He is now trying to get the electricity connected to his block of dirt, and he is running into a bureaucratic nightmare. He told me that his next door neighbours went through the same process about three months ago—that is, before the last state election—and the wait for electricity connection for them was approximately three months, and the cost was around \$2,000 to \$3,000. Now, not quite three months after the election, the wait has increased from three months to nine months, and the cost has blown out from \$3,000 to \$7,000 for a similar connection.

A similar experience has been relayed to me by another constituent. The first quote she received to get the power connected was \$4,500 in November last year. This lady waited seven months, and in June 2006, just before the election, she was quoted \$13,500 to get the power connected. Four months later, in November this year, the quote for the electricity connection is \$24,000. That is at least a 500 per cent rise in the power connection cost in 12 months. That has been delivered by this Labor Party.

I am very concerned about the increasing delays and costs of this basic and essential service to our community. Locally, my office has been contacted by a significant number of people raising concerns about their electricity supply, particularly relating to connection delays. Some people are left wondering if they will have power on in time for Christmas. One family is eagerly awaiting the safe arrival of their second baby, due in just under three weeks, but the family is apprehensive because they are unsure if their power will be connected in time for the birth. They have been waiting since May this year to have that power connected. They were recently informed by Ergon that they will be waiting until February 2007—next year. The family is currently living off a generator that needs refuelling every three hours. They are unable to have the generator running at night due to the high costs to run the fridge. Therefore, their cold food is stored in an esky that is hardly reliable or safe.

Another two constituents living in Agnes Water have also contacted my office, as has the Discovery Coast Tourism and Commerce corporation. I will read a letter I received from it shortly. These residents each paid \$7,000 in April to have their electricity connected to their residences, but they are still waiting and relying solely on generators. One of the men's wives has a severe asthma condition and must use a ventilator machine. As members can imagine, having access to electricity is extremely important for her.

The delays in electricity connections are also causing fluctuations in costs. For example, a number of Bottle Creek residents in Rosedale have been trying to get electricity connected to their homes for the last six months. The quote one resident received has tripled—it is now up to \$12,000—since the first quote six months ago. I ask: why should these people be punished and charged unreasonable extra costs for these Ergon Energy delays? I point out that these are not people who do not pay their costs up-front. All the people who have contacted my office with their concerns have paid their deposits, as I was told by the member for Cunningham. The member for Cunningham suggested that we might find a different way to help people pay off their connection costs.

My constituents, along with the rest of Queensland's residents, are left wondering what the cause is for such huge delays in electricity connection. This highlights the concerns that Ergon Energy has been left so seriously underresourced because of this government's gross mismanagement of our electricity industry.

In Agnes Water and 1770 there is no way of describing it other than that there is an electricity crisis. One of the areas of the Burnett that has suffered more than its fair share of blackouts and burnouts is the Discovery Coast, which consists of the Miriam Vale shire residents in Agnes Water, 1770, Turkey Beach and Baffle Creek to name a few.

Recently I received a letter from the Discovery Coast Tourism and Commerce association that speaks to the issue of unreliable power supply. The letter states—

Dear Mr Messenger,

On behalf of our local business community, Discovery Coast Tourism and Commerce Inc. requests that you ask, in parliament, the Minister for Mines and Energy, Mr Geoff Wilson, to direct Ergon Energy to install a stand-by, back up generator in Seventeen Seventy to ensure and guarantee no loss of electricity for Agnes Water/1770 during the upcoming holiday season.

While we appreciate that Ergon Energy is well aware of the potential problem, has made improvements over the year and is undertaking a monitoring program, we believe this is insufficient to guard against loss of electricity during the upcoming heavy load period. During Easter 2004 our area was without electricity for four days and again as recently as the first week of 2006, Seventeen Seventy was without power for three days.

Agnes Water and 1770 rely heavily on tourism and the number of visitors over the holiday season more than doubles the resident population.

I think the population triples, or even quadruples. It goes from a base of around 3,000, and this Christmas they are expecting maybe 13,000 to 14,000—certainly record numbers. I guess, they will not know how many people are coming until they get there. The letter states further—

In addition, two new developments, Mantra Pavilions (78 apartments), and Agnes Water Beach Club (36 apartments), have opened and there will be a significant increase in air conditioning use compared to last year. Our organisation, Tourism Queensland Gladstone Area Promotion and Development Ltd and Bundaberg Region Tourism spends tens of thousands of dollars promoting our area and prolonged loss of electricity not only causes economic loss to local business but severely damages our area's reputation for tourism. Loss of electricity at Seventeen Seventy is even more critical and severe because many residents and accommodation houses in this area are not connected to town water and rely on electric pumps for their water supply.

We ask that you urge the Minister to have a back up generator installed immediately in Seventeen Seventy and leave it installed until at least after Easter 2007, but preferably until the new sub station at Agnes Water comes on line.

We thank you for your assistance in this matter.

The letter is signed by Helen Hoban, who is the President of the Discovery Coast Tourism and Commerce Inc.

Following on from that letter, Ergon Energy has the infrastructure in place to put in back-up generators. That was put there about a year or so ago. I have been told by Mr Dingle from Ergon Energy, who briefed me, that it is a lopping generator. If there was a complete power blackout, this generator could not supply the whole of Agnes Water and 1770. There have been occasions in the past where those generators have been set up to supply electricity to that area while maintenance has been carried out. This lopping generator cuts in and supplements the already existing electricity supply. I have been told that it is a single-wire earth return that comes through to Agnes Water. That line must be pretty well melting by about six o'clock at night. It has a maximum capacity of around 120 amps. According to the Ergon official, they are going to go out and do some tests at the beginning of the school holidays and then compare those tests with results at a similar time last year. If there is a significant increase in the electricity demand, then they will pull in that generator.

I have been told that there is a two-day wait until they get that generator in there. That will mean that a lot of people will leave Agnes Water if there is that breakdown in supply. I know that the Ergon gentlemen are confident that they can meet that supply, but we would really appreciate if the community and the business owners could be confident in having that lopping generator, or that top-up generator, ready to kick in at those crucial times. They only have a specific amount of time in which to make money. A lot of people want to go to Agnes Water and 1770 for their Christmas holidays. It is God's own country. It has the most beautiful surf beaches and fishing. There are pristine conditions. Who would not want to go there? But a lot of tourists left very disappointed in Easter last year. The community really does not want Agnes Water to have that sort of reputation.

I know that Ergon and the minister's department have promised that there will be a substation built at Agnes Water and 1770. The completion date for that substation has slipped behind. It was going to be before this Christmas. It was then going to be in February next year. I think the completion date has now been extended to October next year. We are getting a little bit nervous about that completion date. We need that substation installed.

One of the reasons we need that substation installed at Agnes Water and 1770 is to drive a desalination plant at Agnes Water. The council there is very proactive. It has looked at all of its options. It is very short on water. That council is going to install a desalination plant to supply the Agnes Water community with water. I know the council is very efficient with its water. Since the mid-1990s the installation of rainwater tanks has been compulsory. The people there save every drop. The council is going to be installing that desalination plant, but it will not be able to be driven unless there is that increased electricity capacity.

There will then be probably a new tourism business in the area, because I am sure that a lot of people will want to visit and look at that desalination plant. I certainly would, but a lot of people from local government authorities will also go there to see that plant. With those few comments, I support the bills before the House. I wish members a very merry Christmas.