

QUESTION ON NOTICE**No. 911****asked on Thursday, 19 August 2004**

MR HOBBS ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY (MR ROBERTSON)—

QUESTION:

With reference to the Somerville Report brought down in July from the Independent Panel for Electricity Distribution and Services Delivery for the 21st Century and in particular to page 97 of the report which refers to the fact that the *“information provided to the Panel suggests that Energex installed emergency cooling in the form of soaker hoses on a number of transformers in order to reduce their insulation temperature, to which engineering advice to the Panel indicated that this is an unconventional operating practice and its effectiveness in reducing insulation temperature at the core of the transformer is not widely documented”*—

- (1) Will he detail on which transformers Energex installed emergency cooling, in the form of soaker hoses or sprinklers?
- (2) Which transformers received emergency cooling, in the form of soaker hoses or sprinklers, with the assistance of the Queensland Fire and Rescue Service?

ANSWER:

(1) & (2)

Energex and Ergon are proposing significant increases in their capital and maintenance expenditure programs to address the recommendations of the Independent Panel review and to ensure reliable electricity supply to Queensland customers.

Energex is proposing to increase its capital expenditure from \$300 million in 2003/04 to to \$421 million in 2004/05 to meet increased customer demand.

Energex also intends spending \$150 million in 2004//05 on operating and maintenance expenditure.

As detailed in Energex's Plan for Summer there will be an additional 53 transformers installed in south east Queensland to provide additional capacity.

Queensland has more than enough electricity reserves with capacity of around 10,000 megawatts of generation compared to a record demand of 7,917 megawatts recorded in February 2004.

Based on current forecast demand, Queensland will have sufficient reserves until 2010 and sufficient supply to meet demand beyond this has been publicly confirmed in a report by the independent system operator.

The report, referred to as the Statement of Opportunities, highlights Queensland's strong growth in energy consumption (at 3.1% per annum compared with less than 2% on average in the other states) and gives recognition to the level of recent investment in the Queensland energy sector which places the state in a very strong position to meet demand.

Since the national market for electricity began in 1998, Queensland has had the greatest level of investment in committed generation.

Of the total \$6.3 billion which is being committed to new generation investment in the national market, \$4.7 billion has been invested in Queensland.

Of this, around 40 percent has been undertaken by the private sector in a number of different projects.

Since 1998 Queensland has also had the greatest level of transmission investment, with approximately \$1.3 billion of the total \$4.6 billion that has been invested in transmission assets in the national market since that time.

PLEASE NOTE THAT THIS ANSWER REPLACES THE PREVIOUS ANSWER TO
NO. 911 TABLED ON 20/9/04.