

## QUESTION ON NOTICE

No. 1838

asked on Wednesday, 26 November 2008

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**MR SEENEY** ASKED THE MINISTER FOR MINES AND ENERGY (MR WILSON)—

QUESTION:

With reference to the latest Energex Annual Report—

Will he supply details of the capital project underspends including (reported separately for each project) (a) total budgeted cost, (b) expenditure to date and for 2007-08, (c) previous and current expected completion date and (d) expected completed cost?

ANSWER:

I thank the Member for his question.

Queensland's electricity industry has invested more than \$9 billion in the past five years in infrastructure to expand, reinforce and maintain the entire network. This includes investment by ENERGEX of approximately \$1 billion per year for the past three years in south east Queensland alone.

This investment by ENERGEX is the equivalent of adding the network capacity of the Gold Coast each year.

ENERGEX had 33,563 active projects in 2007-08.

It is extremely uncommon for a project to be completed exactly on budget. For a wide variety of reasons, project budgets are either under- or over-spent in the vast majority of cases. Mostly, those under-spends and over-spends are small in value.

The task of compiling, in the format and detail requested by the Member, a description of each of the 33,563 projects that were under-spent is overly time-consuming and onerous on my Department and on staff of ENERGEX. Those officers' time is better spent devoted to the provision of a quality, reliable and efficient energy distribution network for Queenslanders.

However, should the Member request information on a specific project or projects, I would be happy to provide further particulars.

Further, on advice from ENERGEX and my Department, I am able to advise that there was a \$157 million variance in the regulated capital expenditure program of works as reported in ENERGEX's 2007-08 annual report.