

## QUESTION ON NOTICE

No. 1226

asked on Tuesday, 15 September 2009

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**MR MCLINDON** ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY AND MINISTER FOR TRADE (MR ROBERTSON)—

QUESTION:

Will the Minister support an alternative proposal to construct the powerlines upgrade from Loganlea to Jimboomba underground to ensure minimal impact to the environment and future safety for the surrounding communities?

ANSWER:

ENERGEX is responsible for the operation, maintenance and development of its electricity network to meet the community's needs for an efficient and reliable supply of electricity. ENERGEX must also undertake this responsibility within the national and state legislative framework covering environmental, safety and economic issues.

I have been advised by ENERGEX that as part of the development process for the Loganlea to Jimboomba project, several alternative options were investigated, including an underground option along Chambers Flat Road. In considering these options, ENERGEX examined the social, environmental and economic impacts of each option on the community.

When ENERGEX is evaluating options which meet an identified technical need, it must choose the option which meets the need at the least long-run cost to electricity consumers. This assessment framework is based on economic efficiency principles, and is determined by an independent national economic regulator - the Australian Energy Regulator. Consequently, because of the significantly higher costs involved, this undergrounding option failed to meet this "least cost" assessment test.

Any alternative proposals would need to be considered within the same legislative and regulatory environment, and meet ENERGEX's economic efficiency obligations. Any alternative proposals should be directed to ENERGEX for consideration.

As Minister, I must be satisfied that ENERGEX has met all of the legislative requirements for the project as set out in the *Integrated Planning Act 1997*, which among other matters includes adequate environmental assessment and public consultation, and that adequate account has been taken of issues raised during this consultation.