



Electrical and Communications Association

Representing the electrical and communications industry in Queensland

Queensland Competition Authority
GPO Box 2257
Brisbane QLD 4001

Dear Sir/Madam,

RE: Response to the Review of Electricity Distribution Network Minimum Service Standards and Guaranteed Service Levels to Apply in Queensland from 1 July 2010.

The Electrical and Communications Association (ECA) would like to thank the Queensland Competition Authority (QCA) for this opportunity to respond to the paper on the Review of Electricity Distribution Network Minimum Service Standards and Guaranteed Service Levels to Apply in Queensland from 1 July 2010.

ECA is the peak industry body for contractors who operate in the electrical, data, communications and ancillary sectors of the Building and Construction Industry in Queensland.

ECA has liaised with Government in the State and Federal jurisdictions on a number of industry issues, including health and safety. In particular ECA has assisted the Queensland State Government in the successful implementation of the Electrical Safety Standards. Due to this success, ECA considers itself to be the leading Queensland electrical and communication industry association.

Considering Building Participants as Consumers for the purposes of financial compensation

ECA believes that a comprehensive review of the existing Minimum Service Standards (MSS) and Guaranteed Service Levels (GSL) is required to be conducted by the QCA. The review should include building industry participants, such as electrical contractors and builders, in the scope of a 'consumer' under the Queensland distribution networks MSS and GSL.

Currently Energex and Ergon Energy only compensate consumers for not providing connection by an agreed date, wrongfully disconnecting, not reconnecting by an agreed date and other such problems.

ECA understands that the consumer, both domestic and commercial, are inconvenienced and disadvantaged by for connection problems by the distribution networks. However, building industry participants, such as electrical contractors and builders are indirectly affected by the same type of connection problems. The effects of the connection problems on builders and electrical contractors are usually the financial costs associated with contractual obligations and penalties (e.g. liquidated damages) and additional labour costs (e.g. having to return to site if the agreed date for connection has not been met by Energex or Ergon Energy).

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Due to the inefficiencies of the distribution networks with the connection of power (and problems of the like) builders and electrical contractors are forced to transfer the costs associated with the connection problems to the consumer. These problems are contributing to the pressure on families and businesses, particular small businesses, who are suffering from the increase in interest rates and cost of living.

The costs will not need to be transferred to the consumer if building industry participants were financially compensated for the loss of their time and resources.

Ergon Energy's GSL should include failure to complete capital works on-time

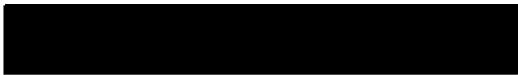
Electrical contractors are experiencing the particular frustration with the failure of Ergon Energy to complete capital works at an agreed time. Ergon Energy should be compensating contractors for the costs associated with the disruption to their business this failure.

ECA believes that this issue can be eliminated, or at least minimised, if the failure to complete capital works in a specified period of time forms apart of Ergon Energy's GSL.

ECA would like to participate in discussions between key industry stakeholders with respect to the classification of services and control mechanisms and any other related matters.

Please contact the writer if you require any further information.

Yours sincerely



Malcolm Richards
Chief Executive Office
Electrical and Communications Association