

9 August 2018



## WHAT

Three electricity network operators – Ausgrid, Endeavour Energy and TransGrid – are required to report to IPART each quarter on their compliance with certain legislated employment guarantees.<sup>1</sup> These relate to appropriate staffing levels, changes to workplace locations, and some other employment conditions.

The network operators have reported full compliance with their obligations for the April to June 2018 quarter.



## WHY

In its move to lease out the three electricity networks, the NSW Parliament imposed employment guarantees for a five year period from 1 July 2015.<sup>2</sup>

IPART was assigned the role of monitoring and enforcing compliance with the employment guarantees.



## WHO

Ausgrid, Endeavour Energy and TransGrid are the three network operators that the NSW Government announced (in 2015) would be partially or fully leased to private operators. TransGrid was leased out in December 2015, Ausgrid was partially leased out in December 2016 and Endeavour Energy was partially leased out in June 2017.



## HOW

The employment guarantees set an appropriate staffing level for each of the three network operators. This includes people employed directly by the network operators, and can also include, in certain limited circumstances, persons employed by either:

- ▼ an associated entity, or
- ▼ another entity that provides the services of the persons to the network operator.

The appropriate staffing level and the actual numbers of full-time equivalent employees reported to IPART for the quarter are below.

Appropriate staffing level		Reported
Ausgrid	3,570	4,431
Endeavour Energy	2,100	2,481
TransGrid	1,000	1,107

The network operators reported full compliance with the other employment guarantee conditions. TransGrid reported that it employed five apprentices to meet its clause 15 requirement. This was triggered because during the April to June 2017 quarter, it had fewer than 110% of the appropriate staffing level.



## WHAT NEXT

The network operators will continue to report to IPART on a quarterly basis on their compliance with the employment guarantees.

IPART will continue to monitor the network operators' compliance with the employment guarantees. IPART will audit compliance using a risk-based approach and take appropriate enforcement action where necessary.

<sup>1</sup> These exist under Schedule 4 of the *Electricity Network Assets (Authorised Transactions) Act 2015* (the Schedule).

<sup>2</sup> Depending on the full time equivalent employees in the 4th quarter of the financial year 2019-20, the minimum number of apprentices requirement may extend into the financial year following the five year employment guarantees period.