

22 February 2017



## 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 October to December 2016 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, and Ausgrid was partially leased out in December 2016.

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

<sup>2</sup> One obligation regarding apprentice intake extends into the financial year following the five year period.

<sup>3</sup> In a letter dated 17 February 2017, Endeavour Energy provided an updated figure of 2,433 for this quarter after discovering an error in the previous reported figure which was 2,516.



## 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    |
| Endeavour E. <sup>3</sup>  | 2,100    |
| TransGrid                  | 1,000    |

Ausgrid reported the closure of one administrative centre during the quarter. The operations were relocated to another administrative centre which we consider to be within the vicinity of the closed administrative centre.

The network operators reported full compliance with the other employment guarantee conditions.



## WHAT NEXT

The network operators will continue to report to IPART on a quarterly basis on their compliance with the employment guarantees. IPART will monitor changes, and, where appropriate, take enforcement action for non-compliances.