

26 February 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 guarantees¹. 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 2017 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 2015.²

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.

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

² One obligation regarding apprentice intake extends into the financial year following the five year period.



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	4,394
Endeavour Energy	2,100	2,328
TransGrid	1,000	1,105

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



WHAT NEXT

IPART has had independent audits undertaken of the networks' compliance with select clauses of the employment guarantees in Q4 2016-17. We audited clauses 3, 5, 9, 14 and 15 and the audits found that the three network operators were compliant with these clauses.

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