

Electricity

WEEK

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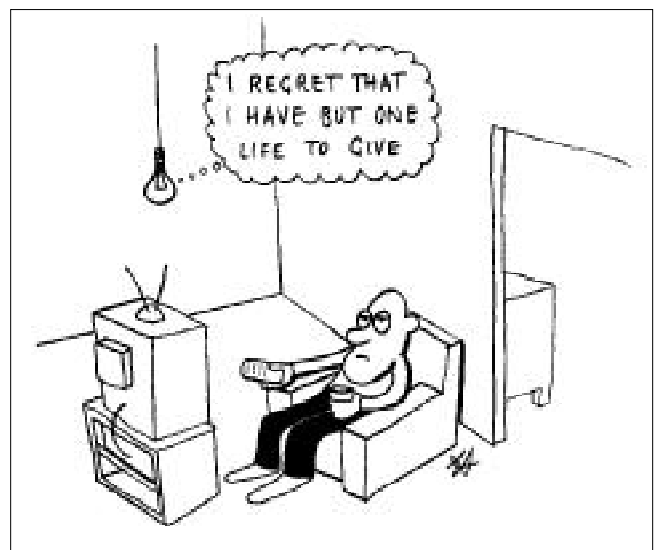
National consumer class-action proposed over voltage change: home bills up 18 pc?

A proposed change to Australian distribution network standards (No. AS2926) has raised consumer anxieties. Consumers fear the planned rise in permissible voltage range to 9.3 volts (V) above the international standard may stress distributor and retailer ethics. They say if network and retailer owners seek maximum profits, they will choose to move voltages to the standard's new top range of 253 volts. If they do this, they cut costs, increase revenues and raise profits. Consumers will pay more, equipment will fail and national demand rise. A national class-action by electricity consumers against suppliers is mooted (*see inside*).

Demand up, price higher: A consumer group claims 17 million domestic consumers could pay

18 per cent more for energy to run the same household appliances. Manufacturers agree the standard means lightbulbs will last 25 per cent less, and more equipment will fail. National demand may rise, along with retailer incomes. Greenhouse emissions could also rise.

Standard in final draft for 30 April close: The plan is a household power delivery standard of 230 V (+/-11%) - plus a further drop at the customer



Electricity Week

Three-phase, four-wire or three-wire systems		Single-phase three-wire systems
Nominal system voltage		Nominal system voltage
50 Hz	60Hz	60Hz
	120/208	120/240
	240	
230/400*	277/480	
400/690*	480	
	347/600	
1000	600	

* The nominal voltage of existing 220/380 V and 240/415 V systems shall evolve toward the recommended value of 230/400 V. The transition period should be as short as possible and should not exceed the year 2003. During this period, as a first step, the

electricity supply authorities of countries having 220/380 V systems should bring the voltage within the range 230/400 V +6%, -10% and those of countries having 240/415 V systems should bring the voltage within the range of 230/400 V +10%, -6%. At the end of this

transition period, the tolerance of 230/400 V +/-10% should have been achieved; after this the reduction of this range will be considered. All the above considerations apply to the present 380/660 V value with respect to the recommended value 400/690 V.

Adapted from Draft Australian Standard for Comment, *Standard voltages (Revision of AS2926--1987) 1999*

premises - which gives a total permissible voltage range of 230 V+ 10-11. This is 9.3 V above the international standard. Consumer, manufactures and electricity retailers and distributors each have a stake in the standard. Manufacturers oppose the standard. Electricity suppliers support it, and consumer groups are confused and anxious.

One analysis estimates an 18.1 per cent increase in power usage: A greater range of voltage variability is more likely to pop lightbulbs, make home equipment less efficient and cause some user equipment to fail. Equipment lobby, Australian Electrical Equipment Manufacturers Association (AEEMA), told *Electricity Week*: "Lamps, transformers and motors designed for a specified performance and acceptable life at 230 V will fail sooner at 240 V. Lamp bulbs are a particular case in point, losing around 25 per cent of their life. Similar, but less severe, effects will occur on all components that run hotter at higher voltage". If the standard is passed, standards will cover a range up to 253 V. This is 9.2 V higher than the IEC standards. AEEMA says there is no assurance that products and components suitable for Australian conditions will continue to be available from international suppliers.

The beneficiaries of the 253 V extension appear to be electricity suppliers, which gain lower network costs and higher revenues. The standard would phase in until 2003 and would expand voltage range at the supply terminals to an allowable 216.3-253 V. This is the upper range. New Zealand has chosen a lower-range option of 230 +/- 6%. The current standard in Australia is 240 V (+/-6%).



Manufacturers oppose the standard: Manufacturers, (the only body on the standards committee which opposes the standard), say "manufacturers could be serious losers". AEEMA contests the standard, but says, "The voltage standard is not in itself at fault, nor is the global push for harmonised supply voltages". AEEMA told *Electricity Week*, "The problem is the manner in which the standard is being implemented in Australia - as nominal rather than real".

Electricity suppliers support it: The electricity suppliers lobby body, the Electricity Supply Association of Australia, (ESAA) supports the standard. The ESAA has a related action before the Federal Court contesting the classification of electricity supply as a good under the *Trade Practices Act*. If this succeeds, this could further erode consumer rights for quality of supply as the suppliers contest the right to supply under all conditions.

Consumer confusion: While it appears there was no consumer participation in the draft, Standards Australia says that on 23 December 1993, it invited the Australian Federation of Consumer Organisations (AFCO) and the Australian Conservation Foundation (ACF) to join. The AFCO declined; the ACF accepted, but did not attend. The AFCO on 4 Feb 1994 said it would not nominate. Stakeholders now have just five weeks to respond to the draft.

The voltage standards committee comprises:

- Australian Electrical and Electronic Manufacturers Association (AEEMA);
- Consumer Electronics Suppliers Association;
- Electricity Supply Association of Australia (ESAA);
- Institution of Engineers, Australia;
- Ministry of Commerce, New Zealand; and
- Reg Authorities Approvals Committee.

Seminar for class-action lawyers

Consumer advocate, Michael Gunter, says "the voltage issue is a fundamental greenhouse emission and public benefit concern...If we don't sort it out soon, I am fully prepared to run a seminar for class-action lawyers to brief them on the true impact of voltage on electricity customers' bills". The issue is now before the Australian Consumers Association (ACA), Sustainable Energy Development Authority (SEDA), the Cogeneration Association, the Australian Competition and Consumer Association (ACCC) and the Victorian Regulator-General to pay attention to what Gunter sees as an unfair practice applied by manufacturers and electricity retailers.

For further information, contact: Michael Gunter (03) 9376 7515 (24 hrs); 018 369 234; or (03) 9388 9311. Web site: <http://www.suburbia.com.au/~mickgg> or <http://www.surburbia.net/~mickgg>

Victorian consumer groups oppose 230 V national standard

The Melbourne-based Alternative Association (ATA) has come out strongly against present electricity industry regulation and against the proposed new 230 V electricity standard due for approval shortly. The standard would become mandatory only if state governments set it in legislation. At present, the standard (AS2926) is called up only in Victorian Electricity Regulations. All other states and territories state the limiting numbers specifically or rely on the industry code.

An ATA spokesperson claims that the introduction of new 230 V appliances, combined with continued high voltage domestic supply to many customers, and a 10 per cent GST will result in a 30 per cent increased running cost for many appliances, such as fan heaters. "It will be even worse if the price goes up as well," said ATA spokesperson, Michael Gunter. "Many customers are going to be misled by the new appliance ratings: A fan heater that is labelled 2400 watts (W) will actually running in "overdrive" at up to 2835 W if the power companies choose to give the customer 250 V. The ACCC and the industry regulators seem to have no plans to regulate the actual supply voltage down from the present 240 V to the new standard." Gunter adds: "When analysing electricity supply, you can forget about price. We have to get smarter than that, and look at the real hidden costs. "By all means let us have a new voltage standard, but only if there is a cast-iron regulatory guarantee that consumers will get a fair deal on the actual voltage in our houses. "The reasonable assumption is that the networks will continue to be run to optimise the owners' profits". The basic nature of electricity supply is that power (and energy sales) are proportional to the square of the supply voltage: double the voltage and you can sell four times the amount of electricity.

For further information, contact Gavin Duffy, Victorian Council of Social Services, ph (03) 9654 5649 or Anna Salleh, Australian Consumers Association, ph (02) 9577 3333. Michael Gunter is available at ph (03) 9376 7515 (24 hrs); 018 369 234; or (03) 9388 9311. Web site: <http://www.suburbia.com.au/~mickgg> or <http://www.surburbia.net/~mickgg>

How GST plus 240 V means domestic loads up 30 pc by 2003

The proposed voltage standard plus GST after 2003 may mean the cost to customers for running a fan heater for 1 hour will rise from the present 28.8 cents an hour (at a mid-range voltage of 240 V) to 37.4 cents an hour if a 2400 kW (230 kV rated) fan heater was being supplied with 250 V power by a distribution company. This would result in a fan heater delivering 2835 watts of power. Consumer advocate, Michael Gunter, told *Electricity Week* that he had calculated this as an 18.1 per cent increase in power compared to a 2400 W/240 V fan heater being supplied with the "correct" 240 V mains supply.

Gunter says customers are also soon going to have to pay 10 per cent GST on top of the energy bill. Therefore, Gunter says that after 2003, the cost to customers for running a fan heater for 1 hour will rise from the present 28.8 cents/hour at 240 V to as high as 37.4 cents/hour. Gunter says 250 V is the retailers' preferred voltage. This is a 29.9 per cent increase in cost to the customer, and he assumes the price of the basic kWh remains fixed at 12 cents/kWh.

The plan for a higher voltage range from 220 kV to 245 kV

The standard draft is *Standard voltages - Alternating (50 Hz and direct)* which proposes a Australian household power delivery standard of 230 V (+/-11%) and a further drop at the customer premises which gives a total permissible utilisation range of 230V+ 10-11. The Australian Standard is a part of an international agreement by Australia to harmonise with world power standards under non-tariff barriers. This allows freer trade in electrical equipment under the International Electrotechnical Commission (IEC). The intention is to harmonise Australian voltages with the rest of the world at 50 Hz. That standard says within 20 years by the first of January 2003, all world low voltage systems supply on three phases: four-wire or three wires systems should reach a standard nominal voltage near 230 V plus or minus 10 per cent. Australia has selected the upper end of the range. New Zealand selected 230 V nominal with plus or minus 6 per cent tolerance, so they are much tighter than the rest of the world.

The new planned standard means one transformer can feed more homes, and cost of supply is reduced.

Who wins: Equipment importers want the change, as do electricity retailers, as both will make profit gains. Distributors with long term plans to

act as power-sellers by replacing transformers with fuel cells may not have a motive to allow access to other players. Distributors win, as the standard means they don't have to upgrade or put in extra transformers. The new standard will allow the distributors to serve more customers on longer lines from the same transformer. Distributors may therefore reduce costs by increasing transformer range. Retailers may gain higher revenue if higher voltages are used at low-use periods.

Who loses: Electricity bills to home consumers may rise - some say by 10 to 20 per cent. Consumer equipment may fail due a greater surge range and efficiency of home equipment will fall.

The standard allows Australia and New Zealand to chose between a minimal voltage of 220 V and 230 V, with the highest voltage at 245 V. The standard would phase in until 2003, and would expand voltage range at the supply terminals to an allowable 220 V to 255 V. The current standard is 240 V (+/-6%).

The Standard was prepared by the joint Standards Australia/Standards NZ Committee EL/40 - Standard Voltages Current Rating and Frequencies, with the purpose to supersede AS 2926--1987. *Standard voltages - Alternating (50 Hz and direct)* is a Draft of the Australian Standard for Voltages (revision of AS 2926--1987). This draft supersedes DR 95407. The date of issue was 1 March 1999 and the closing date for comment is 30 April 1999.

To obtain a copy of the Public Comment Draft 99079 for Standard voltages - Alternating (50 Hz and direct), contact Standards Australia, ph (02) 9746 4700, fax (02) 9746 4785

Electricity X-Files: Meet the Fox Mulder of the voltage world

Consumer and greenpower advocate, Michael Gunter, is the radical outsider of the energy world. But his views are worth listening to, as today's radical views can end up tomorrow's mainstream viewpoint. Gunter does not like the Fox Mulder tag: "I never listen to that paranormal nonsense," he told *Electricity Week*, and he said he would probably tend to side with pragmatic scientific Sculley, not Mulder. But while the aliens have not landed, Gunter has waged a four-year war to connect his small windpower system to the grid. His view is that if regulators don't act to protect consumers, suppliers may gain the power to keep the door closed on new greenpower players and may also to push up domestic loads up. Gunter, a back-blocks Victorian polymath with a medical degree and a wind generator, is one of the few small players with enough oomph to make code submissions and engage with market regulators.

Will a 230 V standard improve industry profits, and cost users more? Gunter says "An electricity distributor or retailer operating on a normal commercial, profit-driven basis would encourage all its customers to buy new appliances rated at 230 V and continue to legally supply electricity at 250 V. This would guarantee an electricity sales increase of 10 per cent for most domestic loads - and presumably an even bigger jump in profits".

Distributor and retailer ethics the key, says regulator

A regulatory manager told *Electricity Week* that if the standard is passed, the key is how distributors use the new standard. "Consumers will vote with their feet" if power quality declines, he says. A consumer impact would only be felt if the supplier "operated in the bottom of the allowable range".

The manager said the local monopolies held by distributors will not be a factor, as the quality standards will be set in contracts between the distributor and the retailer, and the retailer and the customer. Gunter responded: "Great! I'll just sell my house and relocate to a new ethical distributor's area. Or I suppose I can always get a solar/wind/battery/inverter system for \$30,000 and be independent of the grid. What absolute nonsense in a natural monopoly".

The issue: As the demand goes up and down - as home or factories switch off, or loads fall - volts go up. Home-user bills rise and fall with voltage fluctuations. The new voltage standard increases the allowable voltage range; it will also increase power use and bring bigger home electricity bills. Retailers may also gain higher revenue if higher voltages are used at low-use periods.

A distributor told *Electricity Week* that the actual case in the south-east grid was, "If you are close to a transformer you will get 256 [volts]; if you are at the end of the line you get 220 [volts]". It therefore seems the unapproved voltage standard is now standard practice.

As distributors and retailers are mostly jointly owned, there is a motivation to benefit from a rise in load at consumer cost. "The distributors must now fine-tune the network in the customers' interests, not in the interests of the retailers and their energy sales. This is a fundamental paradigm shift that few in the industry seem willing to contemplate," one analyst told *Electricity Week*.

45 minute blackouts for seven states in southern Brazil

At least seven states in southern Brazil experienced an electricity blackout which paralysed the capital Brasillia and the country's two principal cities of Sao Paulo and Rio de Janeiro. In some states, the blackout lasted for about 45 minutes and power was expected to return, gradually, in others. In Rio, power was out for about 30 minutes, returned and then faded again.

Four new national electricity market players, three in networks

At 17 March 1999, three were sixty-nine national market participants and four new applicants:

- Telstra as an intending participant;
- AQC (Kogan Creek) as an intending participant as a generator;
- The National Grid Company as a network service provider; and
- EMMLINK as a network service provider.

Further information is available from www.nemmco.com.au

TransGrid again seeks NEMMCO approval for fixed-price link between NSW and SA

TransGrid has proposed to interconnect the New South Wales transmission system at Buronga with the South Australian transmission system at Robertstown. The works would involve the construction of a 275 kV transmission line from Buronga to Robertstown and supporting works in New South Wales and South Australia (together "SANI") where:

- the proposed works have a commissioning date of November 2000; or
- the proposed works are commissioned at such later date as NEMMCO determines is the earliest date at which the proposed works will be justified in terms of the test referred to in clause 5.6.6(c) for public benefit.

NEMMCO and the IRPC will be consulting with Code Participants and Interested Parties. Accordingly, NEMMCO requests that parties which interested in the SANI augmentation register with NEMMCO as Interested Parties for the purposes of the SANI assessment. NEMMCO will inform the registered Interested Parties of developments in the SANI evaluation process.

Developments that will occur in the near future include:

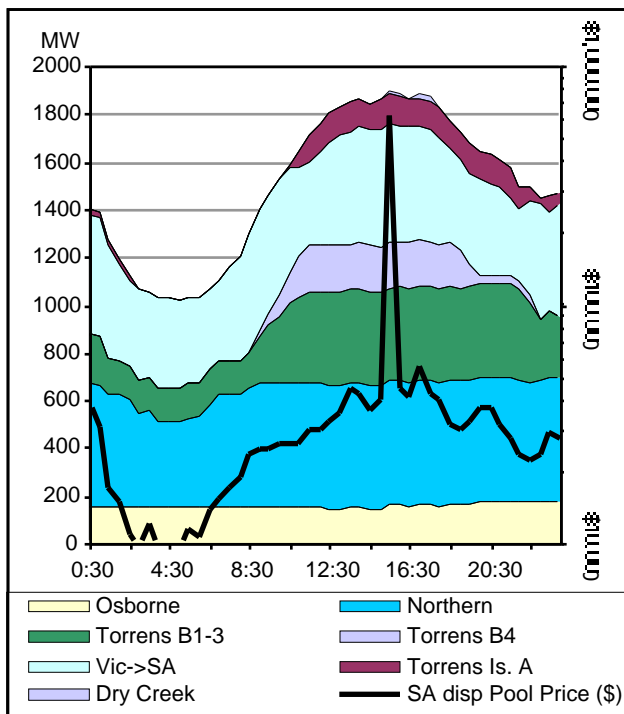
- publication of the IRPC SANI interconnector reports and the call for submissions on these documents; and
- announcement of the Public Meeting date.

To register with NEMMCO for the purposes of the SANI consultation, please provide contact details to Sarah Bowles at NEMMCO ph (03) 9648-8713 or email on sarah_bowles@nemmco.com.au. NEMMCO will accept late registrations, but only for the purpose of informing the party of developments that arise after their registration has been received.

How to apply for compo after NEMMCO orders power on

A test case for compensation by South Australian station Torrens Island for the use of unit B4 on 2 January 1999 (see graph below) will set new rules for compensation. No submissions were received to the statement of principles by KPMG, which was appointed by the National Electricity Market Management Company (NEMMCO) to act as the independent expert for the event on 2 January 1999. KPMG will assess the compensation payable to, or payable by (in the event of there being net losses or gains respectively)

Generation and price for 2 Jan. Torrens B4 dispatched between 9 am to 9 pm when price for a total generation of 1910 MWh. Income from Torrens B4 was \$124,500.



generators scheduled during the intervention period, and payable to market participants for losses arising from the intervention. KPMG must ensure that there is no conflict by way of identified employees performing concurrent services for any code participants, and must also ensure the confidentiality of any contractual or commercial information.

Submissions must be written and contain the following:

- A clear statement of the total amount the participant is claiming to receive or offering to pay.
- A break down of the total amount in terms of incremental supply or demand volumes as a result of the intervention.
- A detailed statement of all fixed and variable costs associated with supplying or withholding that incremental volume.
- A listing of auditable sources of information supporting the above cost statements.
- A listing of all hedge contracts whose settlement value will be changed as a result of the intervention.
- The name of a responsible contact, authorised to liaise in respect of the investigation.

KPMG will be available to meet with all participants making submissions and will need to substantiate all statements made in support of a claim.

Contact Details: KPMG Treasury & Financial Risk Management Group National Electricity Code Independent Expert, Level 23, 45 Clarence St, Sydney 2000, fax (02) 9299 7077, email: Amcelhinney@kpmg.com.au Enquires: Andrew McElhinney, Manager, Treasury & Financial Risk Management Group, ph (02) 9335 7595 Paul Murray Senior Manager, Treasury & Financial Risk Management Group, ph (02) 9335 8056 or contact: Roger Dunstan at roger_dunstan@nemmco.com.au

General principles for reserve power compensation: Compensation will be determined so as to "put the relevant Scheduled Generator in the position that the Scheduled Generator would have been in regarding the scheduled generating unit had the direction not been issued or the plant under the reserve contract not been dispatched".

- Consideration will be limited to the costs associated with complying with the direction.
- There is no entitlement to profit margins which may normally be expected to accrue with supplying the quantities directed.
- Non-directed units are entitled to claim for profit foregone as a result of changes to the quantity dispatched as a result of the intervention.
- KPMG will not consider compensation claims unless sufficient auditable evidence is provided in support of any claim.

- Compensation claimed must be over \$5,000.
- The actual market price during the intervention period will be compared with the estimated market price which would have prevailed had the intervention not occurred (under section 3.9.3 of the code that where "NEMMCO dispatches plant provided under a reserve contract, or has issued a direction the dispatch price for that dispatch interval shall be set by NEMMCO at the value which would have applied as the dispatch price for that dispatch interval had the plant provided under the reserve contract not been dispatched or had the direction not been issued."
- Any impact of hedging contracts arising from the distortion in market price during the intervention period.

Andrew McElhinney, manager, Treasury & Financial Risk Management Group, ph (02) 9335 7595

How to calculate compensation for directed participant: The calculation is $C = ((VC * Volume) + FC + MCA + HI) SR$ (C = Compensation; SR = Sales Revenue earned from the directed generation during the intervention interval = Actual Incremental Volume x Actual Price received during and as a result of the intervention; VC= Variable costs; Volume = Incremental Volume supplied; FC= Fixed costs associated with remaining on line; MCA= Adjusted maintenance costs arising from revised schedules caused by the intervention; HI= Hedge impact).

Compensation for non-directed generators: The calculation for non-directed generators is: $C = (Pn \times Vn) (Pd \times Vd) Vc(Vn-Vd) + HI$ (C = Compensation; Pn = Estimated price without intervention; Vn = Estimated Volume without intervention; Pd = Price during direction; Vd = Volume during direction and resulting from the direction; HI = Hedge impact; VC= Variable Costs).

Compensation for a Market Customer: The Market Customer is entitled to receive from NEMMCO for each intervention price trading interval an amount calculated by applying the following formula: $DC = ((RRP \times LF) - BidP) \times QD$

(DC (in dollars) is the amount the Market Customer is entitled to receive in respect of that scheduled load for the relevant intervention price trading interval; RRP (in dollars per MWh) is the regional reference price for the scheduled load in the relevant intervention price trading interval; LF where the scheduled loads connection point is a transmission connection point, is the intra-regional loss factor at that connection point or where the scheduled loads connection point is a distribution network connection point, is the product of the distribution loss factor at that connection point multiplied by the intra-regional

loss factor at the transmission connection point to which it is assigned; BidP (in dollars per MWh) is the price of the highest priced price band specified in a dispatch offer for the scheduled load in the relevant intervention price trading interval; QD (in MWh) is the difference between the amount of electricity consumed by the scheduled load during the relevant intervention price trading interval determined from the metering data and the amount of electricity which the independent expert or panel determines would have been consumed by the scheduled load if the direction had not been issued or the plant under the reserve contract not been dispatched, as appropriate. This is provided that if DC is negative for the relevant intervention price trading interval, then the adjustment that the Market Customer is entitled to receive in respect of that scheduled load for that intervention price trading interval is zero).

Andrew McElhinney Manager, Treasury & Financial Risk Management Group, ph (02) 9335 7595

NSW quake cuts power

An earthquake cut power to more than 2000 Sydney homes on 17 March, causing mine closures and jamming emergency switchboards. Seismologists have warned residents to expect more earthquakes over the next few weeks following the tremor; the second within a week in New South Wales.

EnergyAustralia accused of substantial error in system reliability data in annual report

It is election week in NSW and the opposition was trawling the file looking for points to score against the Labor government. Marlene Goldsmith, a Liberal Member of the NSW Legislative Council, found a beauty in the EnergyAustralia annual report. Writing in the *Australian Financial Review* 16/3/99 p19, she said EnergyAustralia's System Reliability Index had some glaring errors. The System Reliability Index is the average amount of time a customer goes without supply after a loss of power - a crucial measure of product quality in the electricity business. The 1996 and 1997 EnergyAustralia annual reports show bar graphs providing comparative figures for system reliability over a five-year span. In both cases, the figures show a trending improvement from 110.3 minutes without supply in 1991-92, to apparently about 60 minutes in 1996-97 (in the 1997 report, the exact figure is not given). The 1998 annual report has no bar graph - unusual in itself - for such an important indicator. Instead, the page 4 "Highlights" include the

statement: "EnergyAustralia's System Reliability Index (the average amount of time a customer was without supply) improved to 100 minutes per customer." An increase in downtime is an improvement. And that increase is whopping - about 66 per cent - if the 1997 graph is accurate".

Goldsmith said the "Public Affairs manager at EnergyAustralia, Catriona Burgess, initially professed no knowledge of the discrepancy, but said later that yes, there was an error, and "we are issuing an errata (sic) to correct it. It resulted from claiming an increase as an improvement."

Snowy scheme would fail modern impact study

The Snowy Mountains Hydroelectric Scheme may not have been given the go-ahead if a modern-day environmental impact assessment (EIA) had been undertaken. A recent ANU study, reported in *The ANU Reporter* 10/3/99 p1, by Michael Bergmann as part of his Masters project for the Public Policy Program in ANU's Asian Pacific School of Economics and Management, revealed that planners did not consider possible environmental damage to areas which did not directly feed back into the Snowy Scheme. Thus, environmental problems - such as reduced water flows in the Snowy River, and a resulting loss of biodiversity and salination - have occurred in some parts of the scheme.

SA considers early election if ETSA sale not approved

The South Australian government is considering an early election and an ETSA sale referendum if it fails to win parliamentary approval for the sale of ETSA. The government's plans to sell look certain to fail when the issue is put to a vote of the Legislative Council, where it will be blocked by the Labor Party, the Australian Democrats and No Pokies Independent MLC, Mr Nick Xenophon. *The Advertiser* 13/3/99 p10 reported the options have been discussed by Mr Olsen's inner sanctum and were not ruled out yesterday by Mr Olsen.

An opinion poll published by *The Advertiser* showed significant firming support for the ETSA's sale policy a result of the state government's average \$186 power bill tax option announced two weeks ago. The poll showed 23 per cent of opponents switched their support when faced with the tax, giving supporters a clear majority of 55 per cent. Meanwhile, 42.5 per cent of shoppers in a Retail Traders Association survey said they would cut down on spending if the ETSA tax were introduced.

Hydro to buy up Bell Bay excess

The Tasmanian Hydro is to buy up to 28 MW of excess power from the conversion of the Bell Bay power station to natural gas, and would sell power back to operators, Duke Energy when the station was not functioning. *The Mercury* 10/3/99 p7 reported that Energy Minister, Paul Lennon, also revealed that the government's promised legislation requiring a two thirds majority of parliament to allow any part of the Hydro to be sold was going ahead, but that the Bell Bay power station lease would not be subject to the legislation. He also confirmed the state was negotiating with the federal government for funding assistance with the gas pipeline across Bass Strait. Opposition small business spokesperson, Bob Cheek, said the deal with Duke on Bell Bay could leave the Hydro paying millions of dollars for power it could not sell.

Companies seek to connect to Tasmania network under new state Code

Several outside energy companies have approached Transend about connecting into the state's electricity system. *The Mercury* 10/3/99 p7 reported Transend company secretary Paul Oxley said: "We've had a number of approaches from potential connection applicants and there is more than one interested in wind [generation]". The inquiries were revealed under Opposition scrutiny of Transend during Government Business Enterprise Estimates Committee hearings at Parliament House. Oxley said the inquiries were at an early stage and that it was difficult to tell how long the process would take to work through as there was no precedent to work by.

Tasmania Hydro plans new Gordon dam for extra Basslink power

A small cofferdam could be built on the Gordon River in the middle of the World Heritage Area. Hydro believes the dam would restrict the higher water flows for the Basslink undersea power cable operations. *The Mercury* 10/3/99 p7 reported the chair of Tasmania's Hydro, Peter Rae, said the controversial project could be examined if it was proven that the altered flow to feed Basslink would not damage the Gordon River. The cofferdam project would mean building a smaller dam below the Gordon Dam to limit surges in water-flow from changed Hydro operations once Basslink was in place. Rae said the Hydro was not considering any new dams in the World Heritage Area, however the supplementary cofferdam was a possibility to prevent water suddenly rushing down the Gordon River.