#### 2 June 2025

Angela Moody
Productivity Commissioner and Chair
Queensland Productivity Commission
Submitted via: Construction productivity inquiry form - QPC



Dear Ms Moody,

# Opportunities to improve productivity of the construction sector

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide a submission to the Queensland Productivity Commission (QPC) on its construction sector productivity inquiry (Inquiry).

This submission is provided by Energy Queensland, on behalf of its related entities, including:

- distribution network service providers (DNSPs), Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy Network)
- regional service delivery retailer, Ergon Energy Queensland Pty Ltd, and
- affiliated contestable business, Yurika Pty Ltd and its subsidiaries, including Metering Dynamics Pty Ltd trading as Yurika Metering.

Energy Queensland is Australia's largest, wholly government-owned electricity company. Our network businesses, Ergon Energy Network and Energex distribute electricity to approximately 2.35 million connected network customers across a 1.7 million km² service area from South-East Queensland to the coastal, rural and remote communities of outback Queensland and the Torres Strait. They do this using assets which include 210,000 km of overhead and underground powerlines, 1.7 million power poles and 33 isolated power systems.<sup>1</sup>

Our retailer, Ergon Energy Queensland, sells electricity to its 772,000 retail customers throughout regional Queensland. Our customer numbers make Ergon Energy Queensland the fourth largest retailer in the National Electricity Market.<sup>2</sup>

Yurika provides integrated solutions in energy and infrastructure, energy supplies, metering, telecommunications, and digital services to connect its customers to a sustainable energy future.

Energy Queensland collaborates with a diverse range of partners including property developers, builders, electrical contractors, solar installers/suppliers, local government councils and State and Commonwealth government departments.

<sup>&</sup>lt;sup>1</sup> Energy Queensland Strategic Plan 2032.

<sup>&</sup>lt;sup>2</sup> ibid.

In those collaborations we have come across several key issues that we believe are relevant to the productivity of the Queensland construction sector and which continue to impact the timely and cost-effective delivery of projects, particularly in relation to electrical infrastructure and connection processes. These are:

### Local Council Planning Scheme Requirements and Development Application Timeframes

There are often significant delays and variability in the timeframes associated with the Development Application (DA) process across different Local Government Areas (LGA) throughout Queensland.

DA approvals are frequent prerequisites for electricity network connection applications and these approvals can result in considerable delays before we are even able to commence technical assessments or provide cost and timeframe estimates for required network augmentation. We believe a standardised DA process with uniform timeframes across all Queensland LGAs would reduce inconsistencies and improve administrative and construction delivery productivity for all stakeholders.

# Government Funding and Grant Timeframes

It is our view that many government grants and funding programs do not factor in the time needed to plan, design, and deliver electrical infrastructure - particularly when network augmentation is required. Projects are often expected to reach delivery milestones within funding windows that are unrealistic given the lead times needed for energy service providers' engagement/social licence consideration, approvals, and construction. Therefore, we consider there should be targeted consultation with key stakeholders to ensure the alignment of funding and project delivery milestones in the development of government funding programs and prior to their public announcement.

# Lack of Early Engagement

It is our experience that there is usually minimal or no prior engagement with energy service providers during the early planning or funding stages of major public and private funded projects and this:

- o can generate a significant amount of work over short periods, and
- limits our ability to accurately scope, cost, and schedule necessary electrical works.

This often results in unexpected costs, rework and ultimately delays to customer delivery when our requirements are finally considered. Earlier engagement and the integration of energy service providers' input in project planning and funding applications would significantly improve the accuracy of estimates and delivery outcomes.

We also consider that greater coordination between energy service providers, property developers, government agencies, local councils, and other stakeholders, along with more realistic funding timeframes and planning scheme alignment would deliver meaningful improvements to project delivery and productivity in the construction sector.

Energy Queensland welcomes any further consultation with the QPC to complete its Inquiry and we look forward to closer collaboration with stakeholders to minimise impediments and improve productivity in the construction sector for the benefit of all Queenslanders.

In the meantime, should you wish to discuss any aspect of this submission, please do not hesitate to contact me or Trudy Fraser on 0467 782 350. This letter does not contain confidential information and may be published.

Yours sincerely



Benn Barr EGM Regulation, Risk, & Strategy

Telephone: Email: