

**THE ELECTRICITY OUTAGES AFFECTING FAR WEST NSW IN OCTOBER
2024**

Name: Mr Roy Butler
Position: Member for Barwon
Date Received: 6 February 2025



ROY BUTLER^{MP}

INDEPENDENT MEMBER FOR BARWON

The Hon Clayton Barr MLA
Chair
Committee on Environment and Planning
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Chair,

I write regarding the Committee on Environment and Planning's inquiry into the major electricity outages in the Far West region of New South Wales in the electorate of Barwon.

On 17 October 2024 a storm impacted the main transmission line supplying power to Broken Hill and towns in the Far West of NSW including Menindee, Silverton, Tibooburra, White Cliffs and Wilcannia. Major electricity outages were experienced in the period between 17 October until 31 October 2024. During this time, we also learnt that the South Australian community of Cockburn situated 50kms west of Broken Hill on the South Australian border were supplied from this main transmission line and were without power.

In the days following the initial weather event, it became evident that the Far West's electricity back up supply was inadequate and outdated for the demands of its current residents. These towns experienced unexpected and unplanned losses, in food, service provision, telecommunications, fuel and worrying times for those with chronic health conditions reliant on kidney dialysis and CPAP machines to remain healthy.

Whilst IPART and the AER are also undertaking inquiries into this major electricity outage, I thank the Premier and the Minister for Energy for supporting my request for a parliamentary inquiry under the Terms of Reference below:

That the Committee on Environment and Planning inquire into and report on the major electricity outages and disruptions in the Far West region of New South Wales in October 2024, including:

- a. The preparation and mitigation strategies in place by electricity providers in Far West NSW in the event of a major electricity outage,
- b. The overall effectiveness of the preparation and mitigation strategies,
- c. The role of relevant NSW Government agencies and local government in preparing for and responding to major electricity outages,
- d. The implementation of recommendations from previous electricity outages in Far West NSW,
- e. Recommendations on future alternative power supply emergency response and effective redundancy,
- f. The effectiveness of providers' communications strategies regarding electricity outages and responses, and
- g. Any other related matters.



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I thank the Committee for the important work they are undertaking and look forward to the report and government responses to their recommendations. I present my submission, on behalf of the Far West region in the electorate of Barwon. Should you require any further information, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in blue ink, consisting of a stylized 'R' followed by a horizontal line.

Roy Butler
Member for Barwon



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Inquiry into the major electricity outages in the Far West region of NSW

BACKGROUND

Near midnight on 16 October 2024, Transgrid reported an unplanned power outage due to storm activity approximately 56 km south of Broken Hill. This storm activity, later identified by the Bureau of Meteorology to be a possible tornado, blew over 7 towers on the 220,000-volt transmission line supplying its Broken Hill substation, leaving an estimated 13,000 homes and businesses in the local government areas of Broken Hill, the Central Darling Shire, and the Unincorporated Area without power. The whole Far West area is supplied by a single transmission line that travels from Buronga near the Victorian border and connects to the national energy grid. Transgrid the owner of this single supply line, which they call X2, is part of its South Western transmission network and is 260 kms in length (*see appendices 1*) In the event of an unplanned or planned outage, Transgrid rely on two diesel fired turbines to provide a backup supply for Broken Hill, the communities of the Central Darling Shire and the Unincorporated Area. These two turbines (each with a rating of 25MW) were owned by Essential Energy until June 2022 when they were purchased directly from Essential Energy by Transgrid, to ensure reliability of supply. Other back up power supply options are being investigated by Transgrid, including a Canadian Company's Hydrostor's Compressed Air Energy Storage System and the use of the AGL Battery Energy Storage System (BESS) was hastened, during the power outage to assist with power stability.

Most residents were unaware of the power outage until they woke on the morning of 17 October, apart from the night shift miners who were brought to the surface and ceased operations until a stable power supply could be confirmed. This took almost 3 weeks for both mine sites, Perilya and Consolidated Broken Hill now known as Broken Hill Mine to return to production.

By 6.52 am on the 17 October 2024 power was being restored to most parts of Broken Hill but the power remained off for the communities of the Central Darling Shire and the Unincorporated Area until 6.00pm 18 October 2024. By 7.00 pm the Central Darling Shire were experiencing power outages again and Essential Energy were starting to communicate with residents regarding rotating power outages for 2 to 3 hours as the diesel fuelled generators were not meeting the demand. Transgrid in their initial email communications did not indicate that one of the diesel fuelled generators was off line. Knowledge of this failure to provide an adequate back up supply to the whole region came to light after the second major power outage that occurred on Monday 21 October at approximately 5.00pm when the generator tripped. It was almost 24 hours later when the power was restored to Broken Hill and 30 hours for the Central Darling Shire and Unincorporated Areas. Load shedding was used in multiple locations throughout Broken Hill over the coming days. Essential Energy asked residents to switch off any non-essential appliances such as pool pumps, clothes dryers, dishwashers between 5.30pm and 10.30pm daily and keep



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their daily power usage consistent, to help manage the stability of the network. There was also a request for solar/rooftop power generators to be switched off if, that could be done safely. Perilya the largest mine operator in Broken Hill was also being asked to use load during the day and assist with energy stability during this period.

WHAT WE HEARD

a) Impact on People

Requests from Essential Energy to help manage power use at home by keeping use consistent, turning off any additional generating source and cease to use any non-essential appliances, confused people. The sensitivity of the power network when the single gas turbine was used as a backup supply, was not understood by the public. We heard many requests from constituents to be advised of the times/locations that load shedding would occur so that they could plan for periods of 2 to 3 hours of no power. As this was always peak demand times (5.30pm to 10.30pm) people with families, including babies and small children, wanted to be able to plan meals, sterilisation of baby bottles, charging of devices etc. Text messaging from Essential Energy to residents was useful but further detail was required. Families would restock their freezers/fridges with new produce, only to have their power turned off for an undetermined period putting the storage of this produce in jeopardy.

Unplanned, undetermined outages were a particular issue for the smaller communities in the Far West. These people don't have access to large local, grocery stores offering cheaper prices to restock perishable food items and often do regular shopping trips to larger centres, purchasing bulk goods that are then stored in large freezers. The Far West communities of Silverton, Tibooburra, White Cliffs, Wilcannia, and Menindee all experienced longer periods without power than Broken Hill. Consequently, larger losses of perishable items and cost of replacing these items were greater in these more remote areas. Graziers located in this area often butcher their own meat and stock their freezers. There is no proof of purchase, but it is a cost to their sheep or cattle production that is borne by their pastoral businesses.

People across all the power affected communities experienced varying degrees of success with their insurance company. The Insurance Council of Australia put out a news release on Thursday 24 October 2024 advising impacted Broken Hill and outlying area residents and businesses to contact their insurer or broker. They advised in most home and contents policies the excess does not apply to food spoilage. The Insurance Council of Australia also advised that most claims were for food spoilage with very few claims for physical damage. We heard of those who were able to fully recover the replacement costs for food, to those that were required to prove there was a power outage. Many residents in these areas do not have contents insurance coverage due to the current costs of living. We were contacted by the Wilcannia Local Aboriginal Land Council who advised that most of their members were uninsured. Some



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of these members also experienced equipment failure during the repeated electricity outages, when the generator failed or power was being shed, with their small electrical appliances, refrigerators, and freezers. The replacement of these appliances and whitegoods did not fall under any compensation scheme that was available.

As is often the case with people living in harsher conditions, we heard of many purchasing their own generators, or using their camping equipment at home to generate their own power during unplanned outages and unreliable supply. Whilst it is resourceful, there were also many, that did not have capacity to do this.

There was an unknown number of people who required a Continuous Positive Airway Pressure (CPAP) machine to treat sleep apnoea. Whilst Essential Energy have a list of premises registered for Life Support equipment (47 premises) (including approved energy intensive life support equipment at home such as dialysis, ventilators and oxygen concentrators) there were a significant number of others who required a small generator to power their CPAP machines. As the number of days of unreliable power supply increased, the number of requests for portable generators increased in each of the communities for people who needed these machines to lessen the effects of breathing problems and fatigue. The Far West Local Health District due to privacy concerns, would not release information about people who needed CPAP machines. It's noted that Essential Energy advised of the availability of these small generators, but the process involved in acquiring one was not communicated well and appeared overly bureaucratic. These were also required to be returned when the power supply was re-established.

b) Impact on Businesses and Organisations

The impact on businesses and organisations in Broken Hill and the Far West was extensive and far reaching. Probably greater than what was being reported to me and my office. It needs to be stated that the government's offer of compensation (\$400 per business) did not cover replacement food and equipment costs for those in hospitality businesses. Some café operators reported losses up to \$30,000, local grocery stores established their own generators to power the cool rooms, so that they would not lose any further perishable stock, 24-hour fuel providers in the Central Darling Shire resorted to generating their own power to provide fuel at significant cost to their business. It needs to be understood that these businesses are relied on in their communities to keep key services supplied with fuel. See attached letter from WJ & PW Barracrough. In Menindee a similar situation occurred, but their fuel provider had previously had bad experiences with generators damaging their computer systems. It was a local electrician that was able to hard wire another generator on loan from the Rural Fire Service to be able to fuel the town. Many cost-effective generators are fuelled by unleaded petrol, which fuel suppliers do not keep large stores of unleaded fuel due to the deterioration in its quality. Suppliers of fuel who had generators installed when the power first went out were inundated with people wanting to fuel their vehicles (so they could drive around charging their phones) and



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supply their generators at home. Large lines of cars were reported near On The Run in Patton Street, Broken Hill with up to a 2 hour wait for fuel.

The retail sector suffered not only from the loss of income due to unplanned store closures, continuing to pay staff as there was no notice period, but also from the closure of mining operations, due to the instability of the power supply. In a town where the main employer is mining or its contracted services, any closure or interruption of mining activities causes the majority of the community to cease using their discretionary income on items that would usually tempt them to purchase. It takes stability in mining operations for this feeling to change.

c) Impact on Mining

Both mines in Broken Hill, Perilya, and Consolidated Broken Hill (CBH) contacted me to seek reliable and consistent information from Transgrid on the status and likely timelines for a recovery plan. At the time of the power outage both mines removed workers from underground and ceased production due to power instability. However, both mines required a communication flow from Transgrid ensure they had enough power to stop flooding within the mine, known as dewatering, so that they could resume operations when power was available. A ventilation source also needed to be powered for some workers entering the mine. They had stood down their employees, asking them to use any available leave during this time. Contracted or casual workers on both mines reported having no income and no advice on how long they would be off work. Services working on mine related equipment were also impacted. Owners of these metal manufacturing businesses like FAB TEC and Lawrence Engineering kept their staff employed but at a cost to the business. This was a cause of great anxiety. Both mines had the capacity to generate their own power but required accurate information from Transgrid to activate this costly back up power supply. I was able to provide contacts from Transgrid, Essential Energy and the NSW Police who were the lead agency in this disaster plan. Both mines were willing to assist in the recovery plan but needed reliable information from Transgrid to manage their operations and workforce.

d) Communications from the Energy Providers

In the wider community the role of Transgrid and Essential Energy was not well understood.

I. Transgrid: Transgrid is the owner of the single supply line, which they call X2, is part of its South Western transmission network and is 260 kms in length. In the event of an unplanned or planned outage, Transgrid rely on two diesel fired turbines to provide a backup supply for Broken Hill, the communities of the Central Darling Shire and the Unincorporated Area. These two turbines (each with a rating of 25MW) were owned by Essential Energy until May 2022 when they were purchased directly from Essential Energy to ensure reliability of supply. Transgrid were in the final stage of analysing options for a new back up supply and had identified Hydrostor Compressed Air Storage as the preferred option. This innovative project is known about by the community but is yet to be progressed.



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Many in the community questioned Transgrid's honesty about the date that the second generator went offline for service. November 2023 was mentioned by the Premier on a Sydney radio interview, but this was refuted by Transgrid on 24 October 2024. Transgrid stated in their email that this was incorrect, and the second generator had only been offline since September 2024. Definitely, a matter for IPART and the AER to review. Either way, Transgrid did not have an adequate back up power supply for the whole Far West in the event of an unplanned outage. Communication from Transgrid began with myself and my team on the morning of 17 October 2024. Initial emails were short on detail and did not identify any issue with Transgrid's capacity for large scale back up power generation. The in-adequacy of the backup supply, through the refurbishment of one of the generators was not communicated well. There was mention of Transgrid investigating the use of small mobile generators to be connected by Essential Energy in multiple locations. In reality, large scale generators and load sharers were installed to assist the remaining gas fired turbine generator. Transgrid began communicating with me more directly after the second power outage when the generator failed on Monday 21 October 2024.

II. Essential Energy: is a state-owned electricity infrastructure company maintaining and operating the poles and wires within 95% of NSW. They are the known company in the Far West who respond to unplanned power outages 24/7 so people believed it was an issue that Essential Energy was responsible for, when the responsibility remained with Transgrid. Essential Energy after the first few days of the outage, provided a daily update on ABC Broken Hill through their Operations Manager. This was very well received and built trust with the community. Essential Energy communications and community engagement staff also communicated frequently and consistently with myself and my team throughout the power outage. They were accessible and responsive to us and provided much needed and valuable information that we provided to the constituency through social media. This platform generated strong community engagement throughout the unplanned outage period and has provided quantitative and qualitative data for this submission.

e) Was the response adequate or could it have been handled differently?

Within 3 days of the storm event the NSW government had activated an emergency response under the NSW Electricity Supply Emergency Plan which is a sub plan of the NSW Emergency Management Plan. An Emergency Operations Centre was established to coordinate resources and ensure ongoing services were provided to local communities. Generators were brought into Broken Hill to provide power to the region until the temporary transmission towers can be constructed and the main transmission line re energised. Whilst this appears to be a prompt response by the government it required agitation from myself for the government agencies to send supplies of generators, Starlink sets and fuel within 24 hours of the transmission line interruption. These agencies and their ministerial offices were keen to develop response plans rather than take direct action. Even with this prompt response the geographical isolation and



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time for items to be loaded, meant resources were not on the ground in the Far West for another 24 hours.

A week after the storm event that caused the loss of power the Insurance Council of Australia advised they were closely monitoring the situation and offered assistance to any constituents who were experiencing difficulties with their insurance claims. They also advised they were continuing to engage with the NSW Reconstruction Authority.

The power event occurred during the time students were sitting the Higher School Certificate. No constituents contacted our office with concerns. We assume that the Department of Education were prompt in seeking and installing back up power generation.

The Far West Local Health District reported there was no impact on services at the Broken Hill Hospital or Menindee Health Service. Contrary to this we heard that patients were being treated by torchlight light in the Broken Hill Emergency Department and nurses were sleeping at the Menindee Health Service so that they could be contacted in the event of an emergency requiring an ambulance. Menindee Health Service provide nursing staff to “man” the ambulance. UHF sets were supplied by the RFS for the health service ambulance and police vehicles so that emergency services were able to communicate should an emergency arise. The health service was also supplied with Starlink on loan from the RFS during this time. Telecommunications are impacted in the smaller communities of Tibooburra, White Cliffs, Milparinka, Packsaddle, Wilcannia, and Menindee as the Telstra towers have a battery back up that is often exhausted before the power is operational again. As this is a known issue to us, my Broken Hill electorate office contacted Telstra on the morning of 17 October 2024 advising of the power outage and Telstra supplied backup generators to critical sites as a precautionary measure due to the instability of power supply. Generators are not self-starting and a crew of 20 were deployed to maintain the affected Telstra towers in the Far West. Fuel pods were also supplied.

The \$200 per each residential electricity account holder, initially offered by the Premier on his visit to Broken Hill 22 October 2024 was met with criticism as being inadequate. By the end of that week the final offer of \$200 per adult and \$400 for a business was announced. Feedback on this subsidy was more positive but the amount in no way compensated for most people’s food losses. There was a 2-week delay between when this funding was announced and when the application process went live. It is acknowledged that this was a new grant program and the time taken to build the software and define the processes is understandable. The Assistance Centres that were operated by the Reconstruction Authority in each community were welcomed, with long queues and waiting times being experienced. Whilst the staff were very professional, the procedure, forms of identification and documents required to access the funds were excessive. Some people were required to return to the Assistance Centres several times to supply the appropriate documents. Our office was contacted by constituents on this issue and some people felt that the level of bureaucracy involved was not worth \$200 and chose not to



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access the funding. Residents in Wilcannia who are Aboriginal do not always have their birth certificates, cannot access their details through the MyGov app and were requesting less stringent eligibility requirements to access the \$200. There were also complaints regarding the time it took to transfer the \$200 into people's accounts once the amount was approved, was too long.

On 25 October 2024 our office became aware that the residents of Cockburn, a small community on the South Australian border had also been without power, as they are supplied from the X2 transmission line. I successfully applied to the NSW government to have these 6 people considered for the \$200 payment.

The visits by the Premier to Broken Hill on 22 October and the Minister for Climate Change, Energy, Environment and Heritage to Broken Hill and all the Far West communities on 25 to 29 October was well received and confirmed to the residents of the Far West that the current government were taking the unplanned power outage and the failure of a reliable back up supply, seriously. The communities of the Central Darling Shire and the Unincorporated Area each had an opportunity to meet with the Energy Minister and myself in informal community meetings. Some good news stories of resilience and kindness to others were highlighted in some communities but there were many other stories of hardship and loss of perishable food and equipment which is difficult to replace.

Disaster Management Planning in Broken Hill, the Central Darling Shire and the Unincorporated Far West is a broad, general document. The specifics of how the Emergency Management Plan is carried out, relies on local knowledge, functioning communities and mainly volunteer efforts. Further agency planning by the lower levels of the Local Emergency Planning Committees needs to be clarified. In many of these communities' government agency representation on an emergency plan is at a senior level so that decision making capability is present, but the capacity to implement the plan is unknown. In recent years police, health, local government representatives may be just starting their career and have little understanding of the community they are representing or the emergency operation requirements of their agency.

Government agencies such as health and emergency services should always have capacity for communication. The supply of Starlink and UHF devices needs to be addressed for these agencies. Communication to the affected communities from the Emergency Management Committees was not visible during this disaster. Mobile phone towers have a battery backup but when this battery storage is exhausted, there is no means of communication and information spread for these outlying communities.

Solar and wind energy have long been a source of sustainable energy in the Far West. A solar farm just outside of Broken Hill and the wind farm near Silverton can produce 53 megawatts and 200 megawatts respectively, and yet this source of energy was unable to be used during the unplanned power outage. Many in the community failed to understand why. It is due to a



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lack of commercial arrangements between Transgrid, AGL and Tilt Renewables. Transgrid own the main transmission line X2, AGL own the battery BESS and Tilt Renewables own the Solar and Wind farms.

This energy that is generated in the Far West needs to be able to be used to power the Far West, not just be fed into the national electricity market.

Communities want to see change occur after these disasters, that signifies reviews, and their recommendations are implemented. If this requires fines or funding for infrastructure, then as a government these rural and remote communities deserve to be allocated these resources.

Appendices

1. Map of Broken Hill Supply Line
2. Correspondence from John & Pat Barraclough (21.01.2025)

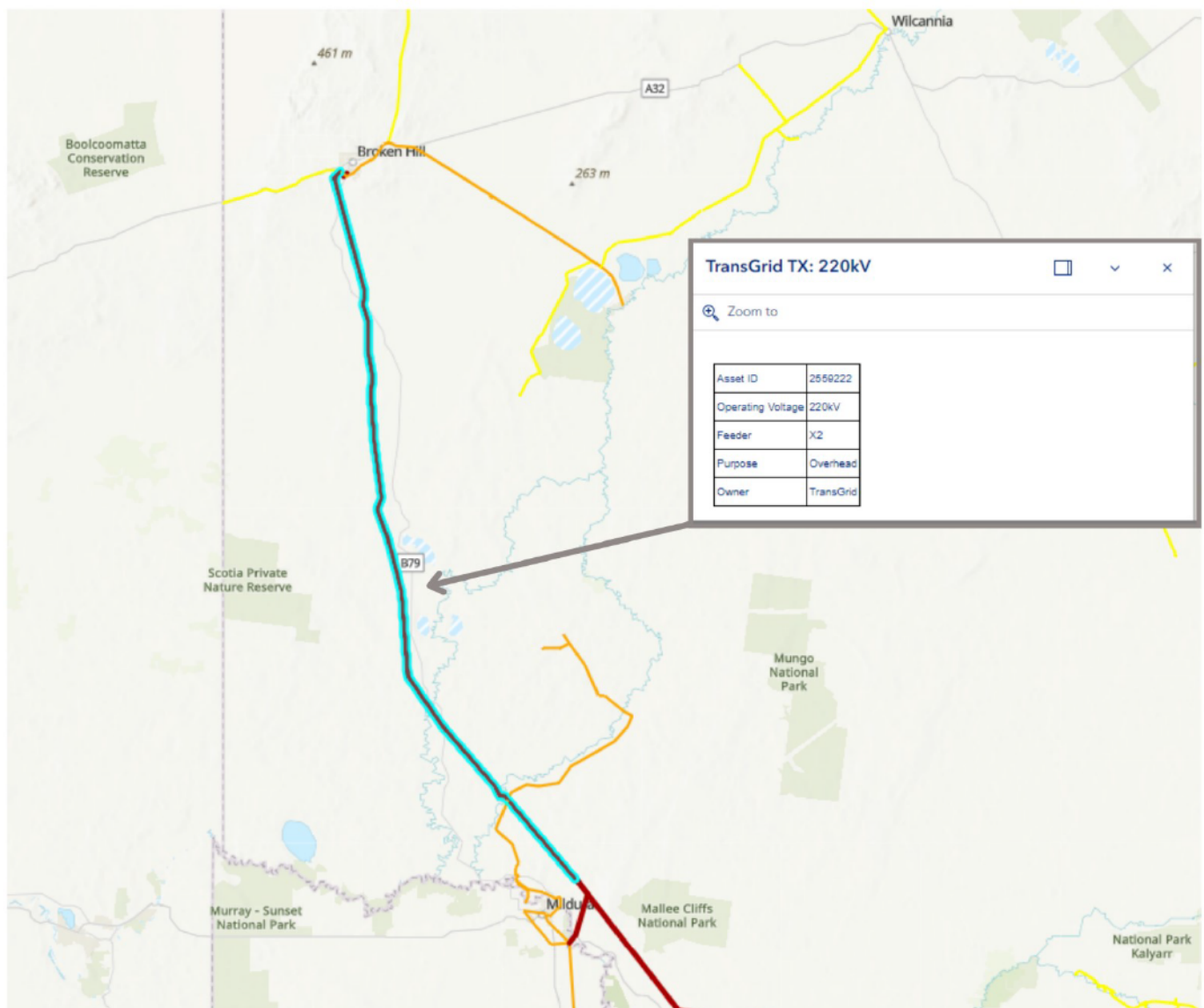


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Appendices 1

BROKEN HILL SUPPLY LINE





ROY BUTLER MP

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Appendices 2



**WJ & PW BARRACLOUGH
P O BOX 107
WILCANNIA NSW 2836**

21st January 2025

Mr Roy Butler MP
1/142 Argent Street
BROKEN HILL NSW 2880

Dear Mr Butler

Re: Major Power Outage in Western NSW

I am writing to bring to your attention the severe impact of the power outage in western NSW, specifically the storm on 17 October 2024, which caused significant disruption to power supplies in Broken Hill and surrounding towns, including Menindee, Silverton, Tibooburra, White Cliffs, and Wilcannia. The outage continued from 17 October to 31 October 2024, causing ongoing major electricity disruptions across these communities.

My husband and I own the BP-Lowes Fuel Depot in Wilcannia, a 24-hour, 7-day operation. Fortunately, we have a generator that allows us to continue trading and providing fuel to our customers during power outages. The outages continued from 17th October to 31st October 2024, causing ongoing major electricity disruptions across the communities

Our generator is a 12.5KVA Onan unit powered by gas. Due to the extended nature of the outage, we consumed 12 x 45kg cylinders of gas, which cost us \$3180.00.

In addition, we received our electricity bill from Origin Energy on 16th January 2025, covering the period from 10th October 2024 to 13th January 2025 (96 DAYS). The total amount of \$4264.40 represents an increase of \$747.45 from our previous bill. This increase is due to our reliance on the generator during the outage, which we used to ensure that our business could continue to operate essential services to the community.

We have always maintained reliable fuel supply for Wilcannia and the surrounding district ensuring that trucks, travellers, and the local residents have access to fuel during outages. During this major event, we received calls from as far as Sydney, Adelaide, Melbourne, Cobar and Broken Hill, as well as from local communities, including White Cliffs, and Tilpa asking for fuel to keep their operations going.

Throughout this difficult period, we managed to keep key services in the area supplied, including the Wilcannia hospital, schools in Wilcannia and White Cliffs, Maari Ma Health and the Wilcannia Store. However, the ongoing generator usage and associated costs has resulted in a financial burden of \$3924.45 out of pocket.

We kindly ask for your understanding and consideration in addressing these additional costs we have incurred to keep the community supplied during this critical time.

Thank you for your attention to this matter. Should you require further information, please do not hesitate to contact us.

Sincerely,

[Redacted Signature]
John and Pat Barracrough

