

**Submission
No 38**

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

Organisation: IGA Broken Hill
Date Received: 10 February 2025

Partially
Confidential

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Dear Minister Sharpe,

***Re: Impact of Recent Power Outages on IGA Broken Hill in
Far West NSW 17/10/2024 – 31/10/2024***

I am writing to express my concern regarding the recent power outages that have significantly affected my business, IGA Broken Hill, located in Broken Hill.

The power outages have caused considerable disruption and have had a severe impact on our operations. Specifically we have faced the following challenges:

Loss of Stock - Due to the power outages we experienced spoilage of perishable goods in all freezers, dairy, deli and fruit & veg. This resulted in significant financial loss for the store.

Hiring of Generator – In an effort to maintain operations I had to hire a Generator and as one that was large enough to run my store was not available in Broken Hill, I had to wait for this to be freighted to Broken Hill. This not only incurred additional costs but also posed logistical challenges. To keep the Generator running the purchases of diesel was an additional cost, further increasing our operational expenses.

Mental Health of Staff – The uncertainty and stress caused by the power outages have taken a toll on the mental health and well being of myself and my staff. The staff have had to work under challenging conditions, which has impacted their overall morale and productivity.

Considering these challenges, I would like the Government to consider making sure that the infrastructure is upgraded on a regular basis as I must do to keep my business operating and provide financial assistance or compensation to businesses affected by these power outages to help cover the costs incurred and support their recovery.

As my business is a high user of electricity I was asked by Essential Energy when Broken Hill was coming back on the grid 31/10/2024 if I would keep running my business on the generator until Essential Energy was happy that the supply to Broken Hill was stable. The store was then put back on the grid on 5/11/2024

These challenges that I experienced in October 2024 have been the worst that I have ever experienced in my **57 years** in the grocery business. The losses that have incurred by this power outage have cost my business \$90482-55. You would say claim this on your Insurance but as I pay \$54K per annum for Insurance at present and I know that claiming this amount will only severely impact the premium next year.

I have always been a supporter of sporting groups and charities in Broken Hill and have always given generously to these organisations over my 57 years in business. The losses that the business suffered in this power outage at no fault of my own will have an impact on what support will be offered going forward.

I have attached all documents that supports the losses that my business experienced in this power outage. Not included is the Invoice for another \$19335-46, as I have decided to purchase the generator as my own backup, as I feel Transgrid cannot be trusted with the on going black outs that we are experiencing plus another \$5000 for the shed to house the generator.

Yours faithfully


Michael Schinella
Managing Director
IGA Broken Hill

Further attachments have been redacted from this submission