

ENERGEX
positive energy

EIANZ Corporate Sustainability

Terry Effeney, Chief Executive Officer, ENERGEX

Beattie slaps green tax on coal industry

US House backs nuclear deal

The Japan Times

Conference adopts Kyoto Protocol

A climate of change

Emissions deadline gone: UN

Australia banks on solar power

News aims for carbon neutral

THE INDEPENDENT
Revealed: how global warming will cause extinction of a million species

A Framework to consider and deliver Sustainability

The ENERGEX Sustainability Roadmap

- Part A – ENERGEX operates as a sustainability-oriented company
 - Ensure ENERGEX demonstrates corporate sustainability
- Part B – ENERGEX's contribution to a sustainability-aware community
 - How can we best contribute to the community?
- Part C – ENERGEX and our major role in the energy industry
 - DSM & sustainability in the energy use

Growth in ENERGEX

- Every working day 150 new, additional homes and businesses connect to the south east Queensland electricity grid

	1996/97	2006/07	% Increase
Customer Numbers	960,000	1,200,000	25%
System Maximum Demand	2300MW	4295MW	87%
Household Average Usage	6,434kWh	10,937kWh	70%

Network Load Segmentation
Understanding Changes in Customer behaviour...

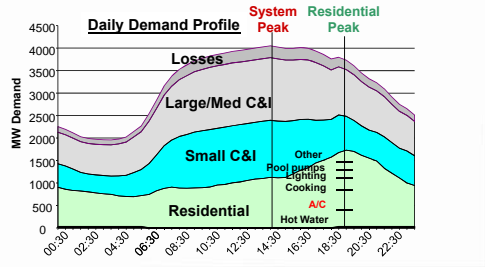
Summer Peak Demand by Appliance Category

Network Load Analysis – Load Profile

Comparison of 2005/06 Max Demand to 2010/11 possibility

Year	50%PoE	10%PoE	Δ 50% / 10%
2006/07	4556	4956	400
2007/08	4852	5232	440
2008/09	5143	5603	460
2009/10	5401	5881	480
2010/11	5644	6144	500

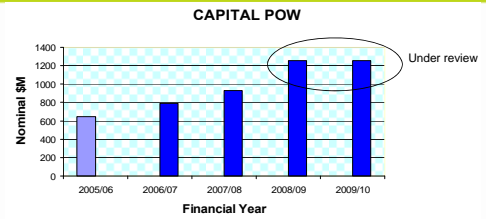
Network Load Analysis – Load Profile



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Meeting this demand in growth

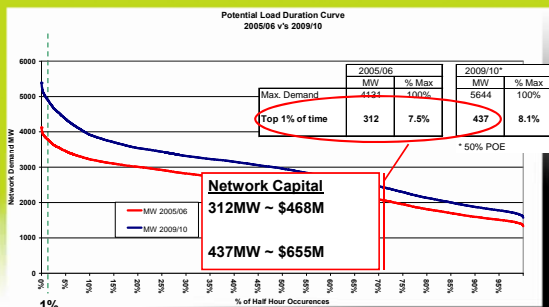


- 2006/07 financial year – more than \$2.5 million every day - upgrading, maintaining and operating the electricity network

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Network Load Analysis – Load Duration Curve



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Summary of Load Analysis

- Currently just under \$500m of capital for 1% of the time
 - Near future \$650m of capital for 1% of the time
- This is not good utilisation of the assets ...
 - What are we doing about it?
 - "Network Demand Management Roadmap for Queensland"
 - Commercial & Industrial Customers – Summer Preparedness Program
 - Hot Water – 700,000 residential customers Tariff 31 & Tariff 33 switching program in 2006/07
 - Possible residential air conditioning trial – Capability demonstration in summer 2007/08

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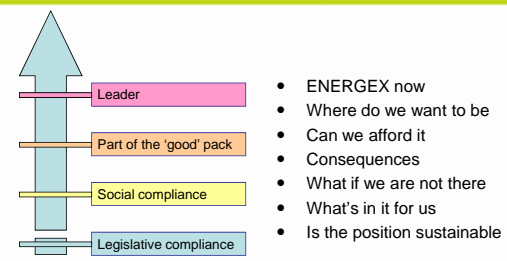
Key Messages

- 1% demand increase = significant capital cost increase (for only a few days of the year)
- Residential air conditioning is a prime driver
 - Sensible to trim demand for all community
 - Maintain Queensland as low cost energy provider
- Air conditioning trial is being looked at as a first stage in a broader program
 - Subsequent steps examine after the trial data collected
 - Decision will be made in next couple of months.

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Positioning ENERGEX for the future



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