

ACT LEGISLATIVE ASSEMBLY

MEMBER FOR MURRUMBIDGEE

13 April 2023

Dear John Knox, CEO Evoenergy

Cc: Chief Minister Andrew Barr and Minister Rattenbury, Minister for Water, Energy, and Energy Reduction

Re: Evoenergy power surge in Farrer, ACT

I am writing to you today to advocate on behalf of Farrer residents that have been greatly impacted by a catastrophic electrical surge on the 20th January 2023.

As a result of the surge, residents in approximately three streets in Farrer, including 84 households and 19 Goodwin apartments, have experienced extensive damage to their homes. The streets include Gatton Street, Marshall Street and Spafford Street, along with Building G at Goodwin Village.

Over the course of the last week, I have spent time with the residents, and many have shared with me their experiences. This incident has caused significant financial and emotional stress to the majority of households.

Residents have reported to me that an average household damage bill is somewhere in the range of \$20,000-\$30,000. Some of the residents run a home-business for which the electrical damage is around \$100,000.

The level of damage reported to me is substantial and has had a significant impact on residents' lives and in some cases livelihoods. Reported damage from the power-surge includes, but is not limited to: heating and cooling appliances, fridges, cooktops, microwaves, televisions, washing machines, dryers,



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computers, phones and appliance chargers, dishwashers, sound systems, roof top solar, switch boards, lighting and electrical plugs, internet routers, landlines, hot water systems, personal emergency alarms, under-floor heating, garage doors, electric gates, fire alarms. Every home has been impacted differently.

At the time of writing, 13 April 2023, some months after the catastrophic incident, residents continue to face ongoing impacts of the power surge. This is related to the lack of appropriate communication, support and financial compensation from Evoenergy.

Impacts

Over the last week, I have heard a range of stories including, pensioners who had to borrow money to pay for the initial electrical assessment (and still have not been compensated), elderly residents whose personal emergency alarms blew in the surge and could not get them replaced for three weeks, and many that had no access to phone communication due to their landlines being impacted. For our elderly population, such impacts from the power surge increased their vulnerability. For our elderly population, such impacts from the power surge increased their vulnerability significantly. The lack of support to these residents is entirely unacceptable.

Businesses that run from home have been severely impacted in their loss of electrical equipment which has had significant costs.

The emotional stress and anxiety in the community is deeply concerning, with individuals and families overwhelmed and expressing distress to me in regard to the enormity of the task of getting all the appliances checked, repaired, replaced following the surge. Residents have shared with me feelings of significant



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distress as a result of the upheaval to their lives. Many households still do not have heating, which is a serious concern as we go into the winter months, especially for the most vulnerable. Nearly all households have reported that they are experiencing significant financial stress as a result of this incident.

Initial 24 hours after the surge:

In the days leading up to the major surge, many residents experienced and reported surges in their electricity directly to Evoenergy. Residents who were home at the time of the catastrophic surge on Friday morning experienced their electrical appliances and lighting exploding for around 10 seconds. It has been suggested to me multiple times that it is particularly lucky that fires did not start in homes, given the level of sparking which included literal melting of plugs and lights. Residents reported fault crews were in the area from about 2pm onwards.

From the time of the surge, residents have described to me an ad hoc and unsatisfactory response from Evoenergy. Some residents received text messages notifying them of a fault, others received messages notifying them that they would have to get an electrician to get their electricity reinstated, and many residents – particularly elderly residents, received no communication at all. The weekend following the major surge, people were left unsupported by Evoenergy, and it was up to residents to support each other and try to work their way through what had happened in their homes.

Communication and support:

Residents have reported to me that there was no co-ordinated communication or support provided following the initial text messages until the 3rd of April 2023, when a public meeting was held (a meeting which not all residents were aware



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of). No emergency financial or social supports were offered immediately after the surge, and there has been no such support since. Many residents have reported to me that they feel incredibly isolated and alone in understanding how to deal with the impacts.

It is clear to me that the extent of the damage and financial impacts have caused a severe burden and negative impact on people's lives and livelihoods. It is entirely unsatisfactory that it is three months on from the incident, and many residents report that they feel there is no end in sight.

Investigation into the surge:

Residents have reported that aside from the meeting on the 3rd April 2023, there has been no communication about what caused the surge and what has been done to:

- a) ensure a surge never happens again in these streets in Farrer,
- b) a surge does not happen anywhere else in Canberra.

Many residents feel that Evoenergy has not taken responsibility for this catastrophic surge and resulting damage. The ACT public, and Farrer residents, deserve an explanation regarding the incident and the subsequent steps to ensure this does not happen again.

Compensation:

Residents have had very little support or explanation as to the process of compensation. Many residents are experiencing significant financial stress whilst they attempt to get appliances replaced and repaired as they wait for claims to be assessed and processed. It was not until the meeting on the 3rd of April that



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residents became aware that they would only receive compensation at the depreciated value of each appliance. This is an extraordinary situation that residents have found themselves in, at no fault of their own. It is entirely appropriate in this circumstance given the extent of damage to most homes, that households receive like-for-like compensation and related costs are covered. The financial burden cannot be expected to be carried by Farrer residents.

Of additional concern is the reports that residents who have replaced appliances that were destroyed in the surge, and no longer have the old appliance as proof, will not receive any compensation. Again, given the length of time since the surge and the lack of communication about what residents should do – Evoenergy should find an appropriate way to compensate people in this situation. I am not sure how it is expected that people live without essential daily items to appease a compensation process that they have received no communication about?

Finally, it has been suggested to me that residents are being asked to sign a very rigorous non-disclosure agreement in order to receive any compensation at all. Many residents feel very uncomfortable about this, especially given the suggestion that residents will not receive like-for-like compensation for the damage to their homes.

As the local member representing these households, I believe that the residents of Farrer deserve a public explanation from Evoenergy regarding what happened and expedited, full compensation for the losses they have incurred.

Again, I want to stress the substantial and ongoing emotional and financial toll that this incident has had on households. I believe residents have acted in good faith and looked to Evoenergy for an appropriate, swift resolution, however, this



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has not happened and now they find themselves in desperate and heightened position, with many residents now facing a Canberra winter with no heater until this is resolved.

I seek a response to my concerns, including a timeframe for when residents can expect full compensation for the losses they have incurred.

Yours Sincerely,

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Dr Marisa Paterson

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