

Parliament of Victoria

The State Electricity Commission of Victoria: a history, 1918 to 2022

Marianne Aroozoo

No. 1 | August 2026

• ————— • ————— • —————

Research Paper

Victorian Parliamentary Library

Table of Contents

Executive summary	1
Introduction	2
1 Prequel: Electricity lights up Victoria	2
<i>Finding fuel</i>	3
<i>Brown coal</i>	4
<i>Electricity Commissioners</i>	5
2 1920s: Vertical integration	6
<i>State Electricity Commission of Victoria</i>	6
3 War	8
4 Post-War	9
<i>Uniform tariffs</i>	9
<i>Royal Commission</i>	11
<i>Maryvale</i>	11
5 1950s: Expansion	12
<i>Hazelwood</i>	13
6 1960s and 1970s: Going big	14
<i>Closure of the Ballarat and Bendigo electric tramway</i>	14
<i>Total electrification</i>	15
<i>Yallourn township</i>	15
<i>Loy Yang</i>	16
7 1980s challenges	17
8 1990s: Federal inquiries	19
<i>Restructuring and competition</i>	20
<i>National Electricity Market (NEM)</i>	21
9 Privatisation	21
<i>Loy Yang B</i>	21
10 Restructure and disaggregation	22
<i>State Owned Enterprises</i>	22
<i>Office of the Regulator General</i>	23
<i>The end of the State Electricity Commission</i>	23
11 2022 Revival and renewables	31
12 Conclusion: From brown coal to renewables	31
Reference List	32

Executive summary

This paper provides a history of the State Electricity Commission Victoria (SECV), from its creation in 1921 to its eventual dissolution in the late 1990s. Its origins are set in Victoria's need to find a source of fuel that would allow for its energy independence. Electricity production before the 1920s comprised municipal and public/private companies generating and distributing electricity with few restrictions. In the 1920s, parliament agreed to electrify the metropolitan railway system and the government authorised work to prove the quantity and quality of the state's coal deposits in Morwell.

Preceded by the Electricity Commissioners in 1918, the SECV was created in 1921 as an independent statutory authority headed by a board of commissioners, with Sir John Monash as its first chairman. The SECV was afforded the powers and funds to establish an open cut mine for brown coal, briquetting works, and to establish the township of Yallourn in Morwell. It also diversified its energy sources, initiating the development of various hydropower schemes. This was the beginning of the vertical integration of the electricity industry where the SECV controlled all aspects of the industry from mining, generation, transmission and distribution to control of tariffs, licensing of 'wiremen', and distribution of appliances.

The war years saw the SECV tested with various shortages of labour, fuel and materials. Imports of plant and technology were also severely hampered requiring innovation and reduced production. Challenges to re-establishing generation, transmission and distribution capabilities persisted into the post-war years and shortages in fuel exposed the state's vulnerabilities in power production.

Following the war, the Cabinet Brown Coal Advisory Committee unanimously supported the development of the state's brown coal resources. The SECV was tasked with planning for the state's fuel independence within the next 15 years. An open-cut mine and briquette factories in Maryvale South and the extension of the Kiewa hydroelectric scheme were approved, and the 1950s saw the expansion of the SECV to meet growing demand. In 1959 a new power station in Morwell—Hazelwood—was approved.

The 1960s and 1970s saw Hazelwood and Yallourn E power stations coming on with greater size and capacity allowing for expanded transmission and distribution networks across the state and falling electricity prices. To access further coal reserves, the township of Yallourn was removed.

The SECV submitted a proposal for the Loy Yang power generation project in Traralgon consisting of an open-cut mine and two power stations, and a proposal for a gas fired power plant at Newport to supplement the coal-fired stations. Both projects received parliamentary approval at the end of 1976.

The 1980s saw a restructure of the SECV board with an incoming government, and escalating costs for the Loy Yang project prompting several reviews. These reviews brought about better management of technical, construction and operational costs, as well as the initiation of a power industry award to improve industrial relations.

The federal government initiated inquiries in the early 1990s into the productivity of the state-owned energy sector, prompted by concerns over Australia's international competitiveness. The federal Industry Commission recommended a major restructure of the industry to promote competition and increase national output.

The 1990s also saw escalating costs and rising interest rates, causing the Victorian government to enter a public/private partnership to complete the Loy Yang B project. However, a change of government ushered in the first stage in a complete restructure of the electricity industry and the creation of a state-owned enterprise framework to increase competition. A new industry structure was introduced in January 1994, establishing Generation Victoria (GV), National Electricity (NE) and Electricity Services Victoria (ESV) as statutory corporations replacing the SECV, which became an administrative office within the Treasury. These corporations were steadily privatised and sold between 1995 and 1999, and it was not until 2024 that the SECV was revived as a state-owned renewable energy company.

Introduction

At the 2022 State Election Campaign, then Premier Daniel Andrews announced that a returned Labor government would ‘Bring back the SEC’.¹ This paper summarises some of the key moments in the long history of the State Electricity Commission of Victoria (SECV) from its early iteration as the Electricity Commission in 1918, empowered to investigate, coordinate and ensure the supply of electricity, through to vertical integration where it generated, supplied and distributed electricity, to its eventual disaggregation and dispersion in the early 1990s. Along the way the SECV, as the main provider of electricity, powered the state through its various stages of industrial development, and was inextricably part of Victoria’s economic life.

1 | Prequel: Electricity lights up Victoria

Following several apocryphal accounts of ‘electric light’ in Melbourne in the 1860s, the first authentic record appears to be on the occasion of the visit of the Duke of Edinburgh in 1869. On that occasion, there were displays of ‘revolving electric lights’ on Parliament House, the Electric Telegraph Building, the Observatory, Flagstaff Hill and the tower at Williamstown.² At the time, electricity had to be generated close to where it was used as the problem of transmission had not yet been solved. This type of local generator also enabled the first night game of football to be played at the Melbourne Cricket Ground in August 1879.³

Small generating plants comprising steam-driven dynamos began appearing in Melbourne, and in 1880 the first electric lighting company was formed—the short-lived Victorian Electric Company, which was taken over by the Australian Electric Company (AEC) in 1881.⁴ Other smaller companies began setting up generation stations in the laneways off Bourke Street. Queen Victoria’s Jubilee and the centenary of settlement celebrations in the late 1880s, when the city’s ornate buildings were lit by arc lamps, fed the growing enthusiasm for electricity. The demand for electricity accompanied the land boom at the time, and developments in transmission allowed Melbourne’s electric companies to move to Richmond, close to the Yarra River as a water supply for their steam engines. By the 1890s, electricity was reported as being used not only to light Parliament House and theatres, fruit shops and flower shops, but also powering domestic kettles and ventilation fans.⁵ Between 1892 and 1894, Melbourne City Council established an impressive generating plant at Spencer Street, and on 7 March 1894, the streets in the city were lit by electricity—replacing the existing gas lights.⁶

Electricity generation and supply in Victoria at the time was an unregulated, laissez-faire market, with few restrictions. Anyone could set up a plant anywhere, provided they had permission to erect power poles in the street. Having procured a street lighting contract they could, by default, supply electricity to that area. This distributed ‘system’ was costly and the smaller enterprises were eventually taken over, resulting in two private undertakings (generation and supply companies) in metropolitan Melbourne: a British-based firm which became the Melbourne Electric Supply Company, operating in Melbourne, Geelong and Adelaide, and the North Melbourne Electric Tramways and Lighting Company.⁷

By 1896, however, Parliament acknowledged that this laissez-faire system was ‘costly, inefficient and dangerous’ and that the number of undertakings, standards of supply, installation and maintenance would have to be regulated.⁸ The *Electric Light and Power*

¹ D. Andrews, Premier (2022) *Bringing back the SEC: For the good of Victorians, for good*, media release, 22 November.

² C. Edwards (1969) *Brown power: a jubilee history of the State Electricity Commission of Victoria*, Melbourne, State Electricity Commission of Victoria, p. 11.

³ *ibid.*

⁴ *ibid.* The AEC later became the Melbourne Electric Supply Company.

⁵ *ibid.*, pp. 12–13.

⁶ *ibid.*, p. 13.

⁷ *ibid.*, p. 13.

⁸ *ibid.*, pp. 13–14.

Act 1896 stipulated that an order in council was required to supply electricity to others, but generation was freely allowed for one's own needs.⁹ While the Act addressed the question of supplying electricity, it discouraged competition and expansion by private undertakings, allowing municipal councils the right to acquire these private entities after 30 years—essentially at the time when they would begin making a profit. For the consumer, however, bills were high and services were patchy and unreliable, with appliances for one system often not suitable for another. Despite this, electricity as a preferred power source grew. In terms of generation, electric motors had several advantages over steam engines. Electricity was even taking over in country areas, with the Nhill Electric Light Company being the first in establishing a town supply—ahead of Melbourne—in 1891.¹⁰

Finding fuel

The next challenge for the growing state was the supply of fuel. Victoria had been dependent on imported coal from New South Wales—specifically, black coal, which Victoria did not have in quality or quantity—and supply was therefore subject to the vagaries of trade. Another avenue for saving on coal was to electrify the suburban railways. Not only would one generating plant supply the power—instead of several coal-consuming steam engines—electric trains could reach faster speeds over short distances, saving travel time.¹¹

To this end, the Victorian Government invited Charles Hesterman Merz—of Merz and McLellan, a British firm—to report on rail electrification in 1908. While recommending the electrification of the suburban rail system, Merz also suggested a powerhouse on the coalfield in Morwell that would supply Melbourne. This was reportedly the first serious proposal for the use of brown coal to generate electricity rather than for industrial purposes or briquetting.¹²

The 1911 Royal Commission on Railway and Tramway Systems of Melbourne and Suburbs further recommended that the railways be electrified, and that Melbourne's power generation be placed under the control of a single authority.¹³ The commissioners quoted the Merz report, which had stated 'the larger the plant, the lower the operation costs'.¹⁴ The royal commission recommended a central powerhouse capable of supplying all the electric energy required by the railways, tramways and factories and for the electric lighting of the metropolis. Additionally, the commission said the electrification of the suburban railways and tramways would be an opportunity to place the electric power supply of Melbourne on a single standard, allowing greater efficiency.¹⁵

In 1911, Carl Hoffmann from the Berlin company Siemens-Schuckertwerke began an investigation into the brown coal deposits in the Latrobe Valley near Morwell. Hoffmann was sent by Siemens-Schuckertwerke and a Victorian syndicate led by W. L. Baillieu. Germany had been successfully using brown coal for electricity generation. The site that Hoffmann identified and recommended became the Yallourn Open Cut.¹⁶

In 1912, Merz submitted another report to Premier William A. Watt on rail electrification and the possibility of using brown coal.¹⁷ The Premier announced a call for tenders for the supply

⁹ *Electric Light and Power Act 1896*

¹⁰ Edwards (1969) op. cit., p. 14.

¹¹ *ibid.*, p. 15.

¹² *ibid.*, pp. 15–16; C.H. Merz (1908) *Report upon the application of electric traction to the Melbourne suburban railway system*, Melbourne, Victorian Railways.

¹³ Royal Commission appointed to inquire into and report upon the railway and tramway systems of Melbourne and Suburbs (1911) *Report*, prepared for the Victorian Government, Melbourne, Government Printer, p. 16

¹⁴ *ibid.*, p. 17.

¹⁵ *ibid.*, p. 17.

¹⁶ Edwards (1969) op. cit., p. 16.

¹⁷ C. H. Merz (1912) *Application of electric traction to the Melbourne suburban railway system: report by Charles H. Merz on proposed procedure in regard to supply of power*, Melbourne, Government Printer, p. 3; Merz had been instructed prepare plans and specifications for the electrification project and to call

of electricity for the railways, allowing private companies to demonstrate how to develop brown coal.¹⁸ There was agitation in Parliament and in the press that private undertakings would be supplying electricity for the state's railways, which had originally been privately owned before being taken over by the state. Debate ensued, with the government being accused of negotiating with private interests—'and German ones at that'.¹⁹

There was growing opinion that public utilities such as roads, water, transport, light and power should be owned by the state, and possibly by an independent statutory corporation ultimately responsible to a minister and Parliament.²⁰ Parliament eventually decided that a tender would only be accepted with parliamentary approval.²¹ This resulted in no private proposals being submitted. Considering the size and advancement of Germany's industry at the time, where private capital had developed the supply of electricity using brown coal, comparable private investment seemed unlikely in Victoria's small economy when taking into account establishment costs and the inherent problems posed by brown coal.²²

Parliament agreed to the electrification of the metropolitan railway system in December 1912, and work on the Newport power station began in 1913.²³ In that same year, the government authorised work to prove the quantity and quality of coal deposits. Over the following years, interruptions from the war delayed the development of electric power from brown coal, and miners' strikes in NSW emphasised the vulnerability of Victoria's economy to interruptions and reductions in supply.²⁴

Brown coal

The necessity and demand for the development of brown coal for generating electricity was becoming apparent. In 1916, the Institute of Victorian Industries established a brown coal committee chaired by the State Director of the Geological Survey, Hyman Herman, and made a proposal to the government for the production of briquettes from brown coal.²⁵ Another member of the institute, Herbert Reah Harper, chief electrical engineer of Melbourne City Council, had also written a pamphlet urging the use of brown coal to generate electricity.²⁶ In an address to the institute in March 1917, Harper stated that the increasing price of black coal was an opportunity for brown coal—particularly if it was linked to the state's intended big electricity supply scheme.²⁷

Later that same year, Premier Alexander Peacock appointed the Brown Coal Advisory Committee, chaired by Herman and comprising representatives from the Melbourne Electricity Supply Company Ltd, managing director Francis William Clements, and the Victorian Railways' chief electrical engineer William Stone.²⁸ In their final report, the committee quoted both Hoffmann's and Merz's reports, as well as the Railway

for tenders for the work in London; (1912) 'Railways electrification: considering the tenders', *The Argus*, 10 September, p. 6, accessed via Trove website.

¹⁸ Edwards, op. cit., p. 17.

¹⁹ *ibid.*; W. A. Watt (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Assembly, 6–7 November, pp. 2510–2539; (1912) 'Anglo-German syndicate: government not bound: statement by the Premier', *The Age*, 24 June, p. 10, accessed via Trove archive.

²⁰ Watt (1912) 'Motion: Electrification of the Metropolitan Railways System', 6–7 November, pp. 2510–2539.

²¹ W. A. Watt (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Assembly, 10 December, pp. 3505–3566.

²² Edwards (1969) op. cit., p. 17.

²³ *ibid.*; J. D. Brown (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Council, 17–19 December.

²⁴ Edwards (1969) op. cit., p. 17.

²⁵ *ibid.*, p. 18.

²⁶ *ibid.*

²⁷ *ibid.*

²⁸ Edwards (1969) op. cit., p. 18; Advisory Committee on Brown Coal (1917) *Report of the Advisory Committee on Brown Coal*, Melbourne, The Committee.

Commissioner's report that described the effect of electricity on the daily life of the community and its gradual displacement of other sources of 'heat, light and motive power'.²⁹

The committee recommended legislation to control and regulate supply generation and to standardise future systems, referring to comments by Merz in 1914 on the chaos of divided control experienced in England.³⁰

To this end the committee recommended the appointment of a body of electricity commissioners. The commissioners would be funded to develop brown coal in Victoria, construct a power station on a site in Morwell with transmission lines to Melbourne to operate by 1921, and regulate new suppliers.³¹

While the committee's report was welcomed by the Minister for Mines and the Minister for Public Works, the Peacock government was defeated soon after the report was presented. The new Farmers' Union ministry of John Bowser momentarily took over, before the return of the Nationalists under Premier Harry Lawson on 21 March 1918. At his policy speech delivered in Castlemaine on 27 June, Premier Lawson committed to the appointment of a commission to plan and co-ordinate electricity generation and distribution. The government promised legislation designed to control future electrical projects, as it recognised that it was essential that the main sources of electrical energy be coordinated. Lawson stated that the government did not intend to allow private capital to exploit brown coal for its own advantage but would consider other power generating proposals from private companies that were economically and financially sound.³²

Electricity Commissioners

The Electricity Commissioners Bill was introduced by the Minister for Mines, Samuel Barnes, on 10 December 1918.³³ It would create a body corporate comprising three electricity commissioners and invest it with regulatory and investigative powers.

The Bill transferred regulatory enforcement powers under the Electric Light and Power Act from the minister to the commissioners. The commissioners were empowered to investigate schemes submitted for the development of coal mining, generation and transmission of electricity at Morwell, and possible hydroelectric power in the state.³⁴

The Bill also provided that the commissioners could construct, maintain and operate any electrical undertakings to supply electricity to any government department, public body or institution, electricity undertaking or statutory corporation, and any person or body not covered by a current order in council.³⁵

The commissioners would inquire and report on steps required to 'secure the ultimate co-ordination or unification of all State or other electrical undertakings in Victoria'.³⁶ This, the minister stated in his second reading speech, would avoid the confusion experienced in Britain and which was becoming apparent in Victoria, where four generating undertakings operated in Melbourne alone—the Melbourne City Council, the Melbourne Electric Supply Company, the Newport railway power station and the North Melbourne Company.³⁷

While the Bill would provide the commissioners the authority to inquire and report on how electric power would be generated and distributed, they were also able to construct,

²⁹ Edwards (1969) op. cit., p. 19.

³⁰ *ibid.*

³¹ *ibid.*

³² *ibid.*; (1918) 'The Government's policy: ... Control of power supply', *The Age*, 28 June, p. 7, accessed via Trove website.

³³ Legislative Assembly of Victoria (1918) 'Electricity Commissioners Bill', *Votes and Proceedings*, no. 60, 10 December, p. 95.

³⁴ S. Barnes (1918) 'Second reading speech: Electricity Commissioners Bill 1918', *Debates*, Victoria, Legislative Assembly, 17 December, pp. 3152–3160; Edwards (1969) op. cit., pp. 21–22.

³⁵ Electricity Commissioners Bill, cl 12; Edwards (1969) op. cit., p. 22.

³⁶ Electricity Commissioners Bill, cl 11.

³⁷ Barnes (1918) op. cit., p. 3154; Edwards (1969) op. cit., pp. 21–22.

maintain and operate the necessary works as defined in the Bill.³⁸ The government had to assure Parliament that reports would need to be tabled and specific authority provided before construction could begin. The commissioners could, by an order in council, also acquire land on agreement or compulsorily in Morwell within a radius of 20 miles of the township. Premier Lawson assured Parliament that the Bill was not a ‘blue-print’ for Morwell, as was alleged, but that the money allotted—£20,000—was for initial investigation and administration.³⁹ The next steps would only be decided after the commission reported to Parliament and the report referred to an ‘eminent independent consultant’. Additionally, the commission would not be able to make contracts worth more than £5,000 in any given year without government sanction. This was amended to £500 following complaints from Members of Parliament.⁴⁰

The Bill was passed on 20 December 1918 and assented to on 7 January 1919 as the *Electricity Commissioners Act 1918*. Three commissioners were appointed on 4 March: Thomas Ranken Lyle (chair), George Swinburne and Archibald McKinsey.⁴¹

While the commissioners were granted only enough money to investigate in the first instance, it nevertheless marked the move to statutory corporations managing state enterprises. Ministers were relieved to entrust these details to disinterested experts, while Parliament retained ultimate control of major projects through the allocation of money.⁴² As the principle of the autonomous public corporation was extended for the electricity commission, it did not, however, have complete financial autonomy; this would come later, when it was granted its own borrowing powers.

Electricity production pre-1920s essentially comprised municipal and public/private companies generating and distributing electricity. The Melbourne Electric Supply Company and Victoria Post were among larger operations, and a few municipal distribution companies still remained until the 1990s.⁴³

2 | 1920s: Vertical integration

State Electricity Commission of Victoria

The State Electricity Commission Bill was introduced on 9 December 1920 by Minister Barnes, and the Act assented to before Christmas, on 24 December 1920.

The *State Electricity Commission Act 1920* would transform the Electricity Commission into the State Electricity Commission of Victoria (SECV). The SECV was to be an independent statutory authority managed by a board of commissioners. The appointment of Lieutenant-General Sir John Monash as chair was written into the Act, and Monash was appointed on 10 January 1921, having originally held the position of general manager.⁴⁴

Sir John Monash

Monash was described as being happy to accept the appointments as both general manager and chairman: ‘His new task was of great public importance, difficulty and attractiveness to

³⁸ Electricity Commissioners Bill, cl 12(a); Edwards (1969) op. cit., p. 22.

³⁹ H. Lawson (1918) ‘[Second reading: Electricity Commissioners Bill 1918](#)’, *Debates*, Victoria, Legislative Assembly, 17 December, p. 3250.

⁴⁰ Edwards (1969) op. cit., p. 21; Barnes (1918) op. cit.; Lawson (1918) op. cit.

⁴¹ *Electricity Commissioners Act 1918*; Electricity Commissioners (Victoria) (1920) *Report for period 7 March 1919 to 30 June 1920*, Melbourne, Government Printer.

⁴² Edwards (1969) op. cit., p. 23.

⁴³ Interestingly, Melbourne was divided into two distinct electricity supply schemes with ten municipal councils controlling the distribution of electricity north of the Yarra, and the Melbourne Electricity Supply Company in the area south of the Yarra. The SEC purchased the retail rights from the MESC when its franchise expired in 1930. (State Electricity Commission of Victoria (1945) *A report of the future country electrical development in Victoria: with particular reference to the proposal for the introduction of uniform rate for electricity supply throughout the state*, March, Melbourne, Government Printer, p. 13.)

⁴⁴ Victorian Government (1921) [Victoria Government Gazette](#), no. 3, 7 January, p. 55.

an engineer. Making abundant cheap power available by harnessing huge deposits of Gippsland brown coal would remove a crippling handicap to development of industry'.⁴⁵ Monash's fellow commissioners included Robert Gibson, Thomas Lyle and George Swinburne, with Hyman Herman as chief technical expert.⁴⁶

Technology transfer that came with the imported German plant machinery helped resolve the problem of brown coal with unexpectedly high water content.⁴⁷ While Monash's strategic plan had been the development of the generation capabilities of brown coal, over-dependence on this fuel was avoided by investing in alternative, subsidiary sources of power.⁴⁸ The SECV initiated the development of the Sugarloaf-Rubicon hydropower stations near Eildon and operated a power station in Newport fuelled with imported black coal and, later, briquettes produced in Yallourn.⁴⁹

Yallourn

The Act also provided the SECV with powers and funds to: open, establish, supervise and maintain open cut mines for the production of raw brown coal as well as briquetting works and by-products recovery works; acquire land; and establish a township at Morwell for its employees.⁵⁰ The SECV would have control of all aspects of the new town, from the planning scheme to the construction of houses, the supply of utilities and 'lay[ing] out plant and beautify any such land', as well as maintaining, altering, remodelling and improving land and buildings.⁵¹ The township became the model 'garden town' Yallourn, with construction of houses commencing in 1921.

In 1922, the removal of the over-burden at the Yallourn Open Cut began, and the first towers were erected for the Yallourn to Melbourne transmission line—pioneering the long-distance transmission of high-voltage electricity in Australia.⁵² The government approved the development of the Sugarloaf-Rubicon hydroelectric power station project the same year.⁵³

The 1920 Act had provided SECV with control of tariffs as well as the authority to decide whether rival organisations could be set up in competition, and the authority to take over private enterprises when their franchises expired. With the breadth of operations from mining, generation and transmission, the control of tariffs and ability to acquire other companies, to regulating 'wiremen's' licences and the quality of materials and fittings, the SECV was what can be described as a vertically integrated state-owned monopoly.⁵⁴

The *State Electricity Commission Act 1922* allowed the SECV to extend its supply of electricity to municipalities beyond the 25-mile boundary of the city of Melbourne, as well as to non-public statutory corporations.⁵⁵

On 15 June 1924 the first of five generators at Yallourn began operating and electricity was commercially transmitted over 100 miles from Yallourn to Melbourne. It was reported as being the first time in its history that the state was 'entirely independent of the uncertainties

⁴⁵ G. Serle (2006) 'Sir John Monash (1865-1931)', Australian Dictionary of Biography website.

⁴⁶ Victorian Government (1921) op. cit., p. 55; Serle (2006) op. cit.

⁴⁷ B. Lloyd (1995) 'SEC break-up a tragedy for Victoria: senior engineer', *News Weekly*, 29 July, p. 14.

⁴⁸ M. Abbott (2006) 'The performance of an electricity utility: the case of the State Electricity Commission of Victoria, 1925-93', *Australian Economic History Review*, 46(1), p. 27.

⁴⁹ *ibid.*

⁵⁰ *State Electricity Commission Act 1920*.

⁵¹ *ibid.*, s 11(8)

⁵² (1926) 'Yallourn to Corowa: Longest electric transmission in British Empire', *The Herald*, 3 February, p. 11, accessed via Trove website; Edwards (1969) op. cit., p. 66.

⁵³ Edwards (1969) op. cit., p. 298; State Electricity Commission of Victoria (1924) *Fifth annual report for the financial year ended 30th June, 1924, together with appendices*, Melbourne, Government Printer, p. 3.

⁵⁴ Abbott (2006) op. cit., p. 27.

⁵⁵ *State Electricity Commission Act, 1922*, s 2.

and vicissitude of imported fuel’ and a ‘cessation of Victoria’s subservience industrially to the coal mines of Newcastle’.⁵⁶ Brown coal mining commenced in August 1924.⁵⁷

Yallourn A power station was completed in 1928, and the Rubicon-Royston hydroelectric station came into service in that same year, closely followed by the Sugarloaf hydroelectric station in 1929.⁵⁸

The 1920s saw the SECV taking over a number of small municipal enterprises and purchasing electricity operations of the tramways.⁵⁹ In 1922 it acquired the undertakings of the North Melbourne Electric Tramways and Lighting Company, and in 1930, the Melbourne Electric Supply Company’s electricity operations powering the Melbourne and Geelong tramways.⁶⁰

A new *State Electricity Commission Act 1929* authorised the SECV to borrow money to meet the liabilities relating to the construction, management and operations of tramway undertakings.⁶¹ Monash had strongly advocated for the SECV to have its own independent borrowing powers and had written to the inaugural Minister for Electrical Undertakings, Thomas Tunnecliffe, for approval for plant extensions to meet the anticipated growth in demand for electricity.⁶²

In 1934, the SECV was granted borrowing powers to acquire the Bendigo and Ballarat tramway undertakings from the Electricity Supply Company of Victoria.⁶³ But it wasn’t until 1937, after the death of Monash in 1930, that the SECV was finally afforded the borrowing powers to cover all its activities.⁶⁴ The *State Electricity Commission (Financial) Act 1937* additionally provided that loans were guaranteed by the Government of Victoria.⁶⁵ That same year, Parliament approved the proposed Kiewa hydroelectric scheme and the expansion of the Newport power station.⁶⁶

3 | War

With the advent of World War II, the mining, generation and supply landscape changed. The SECV continued to expand, acquiring the Newport B power station from Victorian Railways in 1939.⁶⁷ In 1941 the SECV integrated the Spencer Street power station into its generating system, which remained wholly owned by the Melbourne City Council.⁶⁸ The SECV, like many other industries, experienced labour force shortages during the war years. While output and generation rose between 1938–39 and 1944–45, it was not declared a ‘protected industry’—whereby its workers could not be released to enlist without approval from the manpower authorities—until March 1942. There was rationing of briquettes, with industry being prioritised and household consumption limited to hot water systems. Briquetting plant extensions were impacted when German expertise was cut-off and equipment had to be

⁵⁶ (1924) ‘Yallourn powers: supply made available yesterday’ *The Age*, 17 June, p. 5, accessed via Trove website; (1924) ‘Power flows over transmission lines from Yallourn’, *The Age*, 17 June, p. 9, accessed via Trove website.

⁵⁷ Edwards (1969) op. cit., p. 298.

⁵⁸ Edwards (1969) op. cit., p. 298; (1929) ‘Hydro-electric works: Sugarloaf station completed’, *The Argus*, 6 March, p. 8, accessed via Trove website; (1928) ‘Hydro-electricity: Lower Rubicon station opened’, *The Age*, 3 April, p. 14, accessed via Trove website.

⁵⁹ Public Records Office of Victoria (2026) ‘State electricity commission’, PROV website.

⁶⁰ State Electricity Commission of Victoria (1922) *Third annual report for the financial year ended 30th June, 1922, together with appendices*, Melbourne, Government Printer, p. 4.

⁶¹ *State Electricity Commission Act 1929*

⁶² Edwards (1969) op. cit., p. 106.

⁶³ State Electricity Commission of Victoria (1930) *Eleventh annual report for the financial year ended 30th June, 1930, together with appendices*, Melbourne, Government Printer, p. 6; *State Electricity Commission (Ballarat and Bendigo Purchase) Act 1929*.

⁶⁴ Edwards (1969) op. cit., p. 107; *State Electricity Commission (Financial) Act 1937*

⁶⁵ State Electricity Commission of Victoria (1938) *Nineteenth annual report for the financial year ended 30th June, 1938, together with appendices*, Melbourne, Government Printer, p. 14.

⁶⁶ Edwards (1969) op. cit., p. 299; A. A. Dunstan (1937) ‘Committee of supply: The Budget’, *Debates, Legislative Assembly*, 11 August, p. 539.

⁶⁷ Edwards (1969) op. cit., p. 299.

⁶⁸ *ibid.*, p. 146.

locally sourced, and existing equipment could not be overloaded to avoid the risk of breakdowns that would lead to delays.⁶⁹

The SECV lost much of its administrative autonomy when the Commonwealth took over the decision-making around the allocation of resources and labour force.⁷⁰ The SECV augmented its labour shortages by reducing or suspending standards of work and engaged nearly 300 women for clerical work as well as in the roles of conductors, lift-drivers, chauffeurs, cleaners and ‘even motor mechanics’.⁷¹

The war brought into focus Victoria’s vulnerabilities in power production, particularly the precarious nature of coal supplies for the state’s briquette production, as NSW supplies were disrupted by industrial action. There was a tussle between the SECV and the Federal Government as to where scarce black coal and briquettes should be directed—munitions factories, power stations or large firms. The State Coal Committee, set up by the Commonwealth Coal Board, insisted that the SECV not use briquettes in power stations outside Yallourn, effectively limiting power generation at the Newport power station.⁷²

There was also concern that post-war demand may not be met. In 1943, the Victorian Government declared a post-war objective of developing local sources of fuel and becoming self-sufficient in supply.⁷³ The war had also slowed the development of the Kiewa hydroelectric project.⁷⁴ The Newport power station had been designed to use imported black coal and briquettes manufactured in Yallourn. Reserves of black coal, which the SECV had accumulated between 1938 and 1940, were being depleted. The SECV innovated out of necessity, setting up a research laboratory to develop a special cast iron suitable for stoker units, and finding methods to re-insulate generator coils and chrome-plating worn parts of generators—work that had not been done in Victoria before.⁷⁵

Labour shortages and copper wire and cabling shortages also frustrated the SECV efforts to extend electricity to farms and primary industry consumers—which the Federal Government had declared as essential to the war effort.⁷⁶ Before the war the SECV was connecting 1,000 farms a year, but this had dropped to just 216 by 1943.⁷⁷

4 | Post-War

The shortage in fuel supply for the SECV persisted into the post-war years in the face of increased demand—with fuel being diverted to industry. Industrial unrest in the NSW coalfields finally came to an end in 1949 with intervention from the Federal Government.⁷⁸ The SECV was by then looking to other energy sources—such as the expansion of its Kiewa hydroelectric project—rather than relying on briquettes that could be diverted to other industries.⁷⁹

Uniform tariffs

In 1945 the SECV reported on the future development of electricity in country Victoria, particularly the proposal for uniform tariffs—a ‘flat rate’—across the state.⁸⁰ The report was in response to the government deciding to legislate for uniform tariffs. Tariffs were based on a cost recovery model. With each addition of a municipality to be supplied, the SECV would submit the costs to the government for supplying power to that municipality and set out the

⁶⁹ *ibid.*, p. 149.

⁷⁰ *ibid.*, p. 148.

⁷¹ *ibid.*, p. 147.

⁷² *ibid.*, pp. 152–153.

⁷³ *ibid.*, p. 152.

⁷⁴ *ibid.*, p. 152–153.

⁷⁵ *ibid.*, p. 155.

⁷⁶ *ibid.*, p. 155.

⁷⁷ *ibid.*, p. 155.

⁷⁸ *ibid.*, p. 161.

⁷⁹ *ibid.*, pp. 162–163.

⁸⁰ State Electricity Commission of Victoria (1945) *op. cit.*

appropriate tariff. There were three types of tariffs: metropolitan; provincial cities and large country towns; and small country towns and farms. The variations in costs were dictated by the capital expenditure per consumer—metropolitan customers benefited from the lowest costs and country consumers had the highest costs.⁸¹

The SECV had established a 'power production pool' with nine power stations interconnected by high voltage transmission lines, from which its nine supply branches could purchase electricity at a common rate.⁸² The costs of generation and transmission comprised 56 per cent of the total costs of supply to customers. The SECV argued in its report that it would be uneconomic to apply a uniform rate and that it would essentially mean metropolitan customers would be subsidising country customers. The SECV's Commissioner Burstall concluded the report by stating that supplying rural consumers at uneconomic rates would be a political decision. Should it be decided that financial aid be provided to the country consumer in the form of 'cheaper-than-cost' electricity, then grants-in-aid should be provided from the state's consolidated revenue.⁸³

The report also cited the challenges of post-war re-establishment of generation, transmission and distribution plant and equipment, and catching up on the electrification of rural areas that had slowed drastically during the war years.⁸⁴ With a change in government, no legislation on this matter eventuated at the time, and it was not until 1965 that the SECV introduced uniform rates across the state.⁸⁵

A new Labor government under John Cain came to office in November 1945. The Cabinet Brown Coal Development Sub-committee, chaired by Assistant Treasurer P. L. Coleman, was appointed in December 1945.⁸⁶ The committee was to examine, in broad terms, measures for the development of brown coal resources in the state and the implications of a policy which would make Victoria independent of imported solid fuel. In particular, the committee would investigate the use of brown coal in the production of gas for towns and railways and in the SECV's increasing briquette production for general, industrial and domestic use. Reporting in April 1946, the committee unanimously supported development of Victoria's brown coal resources.⁸⁷

In 1946, the Premier tasked the SECV to plan for fuel independence for the state within the next 15 years. The SECV's report stated:

Premier advised Commission (July, 1946) that Government intended each and all of the recommendations in Cabinet Sub-Committee's Report should be implemented as circumstances from time to time permitted. Government desired that Commission include in its Report on the Morwell South project 'an indication of what would be involved in the way of further coal winning and briquette production capacity, and associated measures, to enable Victoria to achieve complete independence from New South Wales black coal for general industrial use within, say, fifteen years, and thereafter to maintain that independence.'⁸⁸

The SECV submitted its report to the Premier on 13 December 1946, proposing an open-cut mine and two briquette factories be established in Maryvale South, located south of the township of Morwell, as well as funding for the capital outlay over the next nine years for the project.⁸⁹ The commissioners stated that the Maryvale South site would be solely for briquette production; power generation would continue at Yallourn and at a future site further down the Latrobe River, with access to a water supply being a key consideration. To

⁸¹ *ibid.*

⁸² *ibid.*, pp. 8-9.

⁸³ *ibid.*, p. 29.

⁸⁴ *ibid.*

⁸⁵ Edwards (1969) *op. cit.*, pp. 245-246.

⁸⁶ Cabinet Sub-Committee on Brown Coal Development (1946) *Report*, April, Melbourne, The Committee.

⁸⁷ *ibid.*

⁸⁸ State Electricity Commission of Victoria (1946) *Report of SEC on further development of the briquette industry based on brown coal resources in the Latrobe Valley*, December, Melbourne, Government Printer, pp. 5, 17.

⁸⁹ *ibid.*, p. 9.

enable the effective carrying out of the Maryvale South proposal, the commissioners requested that parliamentary sanction for the project be provided in the form of an Act.⁹⁰

Royal Commission

The post-war years saw a strained relationship between the Victorian Government and the SECV. Demand was increasing and fuel supply was restricted, leading to electricity restrictions and rationing.⁹¹ In March 1947 the government announced the appointment of a Royal Commission to Inquire into Electricity Supply.⁹² Essentially, the royal commission was asked to investigate:

- whether the existing methods of electricity production and supply were sufficient to meet all immediate and future demand; and
- whether, in considering its structure, organisation and constitution, the SECV was ‘efficient’.

Reporting on 29 August 1947, the royal commission commended the SECV on its work before and during the war in maintaining the supply of electricity, given the shortage of materials and labour.⁹³ However, it also criticised the SECV for not accurately forecasting or anticipating the growth in demand.⁹⁴ The royal commission recommended that the position of chairman be combined with that of the general manager—a recommendation the SECV supported in its response in December 1947.⁹⁵

In its full response to the royal commission’s findings that it had underestimated the post-war demand, which had led to restrictions and rationing, the SECV pointed to:

- its November 1947 report on the extension of the Kiewa hydroelectric project;
- its annual reports that had warned the government and parliament about the need of reserve plant;
- post-war shortages of material and labour, together with vastly increased capital expenditure, limiting its ability to meet the royal commission’s suggested increased load;
- its restricted access to briquettes during the war; and
- the need of ensuring supply of black coal from NSW until Victoria became self-reliant on its brown coal supplies.⁹⁶

The SECV took the opportunity to require that its governing Act be clarified as to what extent its powers and performance of its duties were ‘subject to the Minister’ or the Governor-in-Council.⁹⁷ The SECV also took exception to the way the royal commission was conducted, claiming that it had made inquiries and formed opinion without taking formal evidence, and that the appointment of the royal commission had subjected its commissioners and officers to a ‘humiliation now proved to be thoroughly unjustified’.⁹⁸

Maryvale

In response to the SECV’s 1946 report and its recommendation for legislative sanction for the Maryvale project, the State Electricity Commission Bill was first introduced in September 1947 but lapsed with the defeat of the Cain government. A second Bill was introduced on

⁹⁰ *ibid.*, pp. 15–16; *State Electricity Commission Act 1948*.

⁹¹ Edwards (1969) *op. cit.*, pp. 162–165.

⁹² Victorian Government (1947) *Victoria Government Gazette*, no. 218, 27 March.

⁹³ Edwards (1969) *op. cit.*, p. 167.

⁹⁴ *ibid.*

⁹⁵ State Electricity Commission of Victoria (1947) *Report of the SECV on recommendations of the Royal Commission on Electricity Supply*, December, Melbourne, Government Printer.

⁹⁶ *ibid.*, pp. 4–6.

⁹⁷ *ibid.*, pp. 11–12.

⁹⁸ *ibid.*, pp. 12–14.

27 April 1948 by the incoming Liberal/Country Coalition government under Thomas Hollway and assented to on 20 July 1948 as the *State Electricity Commission Act 1948*.⁹⁹

The new Act approved the development of the brown coal briquette industry as laid out in the SECV's 1946 report, as well as the ability to depart from the scheme when 'necessary or expedient'.¹⁰⁰ Progressive expenditure over four years for the first stage of the scheme was also approved. The powers and authority of the SECV for the production and distribution of fuel were defined and would be passed on to any succeeding public statutory corporation. The 1947 recommendation by the SECV's chief engineer for the extension of the Kiewa hydroelectric project was approved under the Act.¹⁰¹ The Act also increased the SECV's borrowing powers, and vested ownership of the Newport A power station with the commission.¹⁰²

On 17 May 1948, Minister for State Development Herbert Hyland was appointed by Cabinet as chairman of the Morwell Project Co-ordinating Committee.¹⁰³ While there was change in ministries in December 1948, Hyland was invited to continue as vice-chairman given his knowledge of the project.¹⁰⁴ With the commencement of the Act, a technical mission led by the SECV's chief engineer visited Great Britain and Europe in early 1949 to negotiate the purchase of plant and buildings for the Morwell briquette project.¹⁰⁵ Orders were placed for two briquette plants from Germany and boilers and turbo generators from England. Works began on the Morwell open-cut mine on 11 April 1949.¹⁰⁶

5 | 1950s: Expansion

Between 3 December 1948 and 17 December 1952, with four changes of government under Thomas Hollway's Liberal and then Electoral Reform parties, and John McDonald's Country Party, the SECV began its expansion to meet the growing demand driven by increasing electricity use in industry. Capacity at Yallourn and Newport power stations was expanded, hydroelectric stations were established in Eildon and Kiewa, oil-fired stations were added in Melbourne and a new station was constructed in Morwell.¹⁰⁷

The *State Electricity Commission (Contracts) Act 1950* extended the authority of the SECV to enter into contracts up to £5,000 in value, up from the existing £500, and to extend the performance of a contract from one year to three years without requiring Governor in Council approval.¹⁰⁸

⁹⁹ The State Electricity Commission Bill 1947 was first introduced in the Legislative Assembly by John Cain Sr and William Slater on 30 September 1947 but lapsed at the end of the Cain ministry and was re-introduced by Herbert Hyland and Lieutenant-Col Kent Hughes on 27 April 1948 under the Liberal/Country Coalition Thomas Hollway ministry. The State Electricity Commission (Financial) Bill to authorise the expenditure to support the Act was introduced on 9 December 1947 and assented to on 23 December 1947 as *State Electricity Commission (Financial) Act 1947*; *State Electricity Commission Act 1948*.

¹⁰⁰ SEC (1946) op. cit.; *State Electricity Commission Act 1948*, s 2.

¹⁰¹ State Electricity Commission of Victoria (1947) *Report of State Electricity Commission of Victoria on extension of Kiewa Hydro-Electric project from 117 megawatts to 289 megawatts and matters related to the system generating capacity*, November, Melbourne, Government Printer, p. 17.

¹⁰² *State Electricity Commission Act 1948*; State Electricity Commission of Victoria (1948) *Twenty-ninth annual report for the financial year ended 30th June, 1948, together with appendices*, Melbourne, Government Printer, p. 12.

¹⁰³ T. T. Hollway (1949) 'Second reading: Latrobe Valley Development Loan and Application Bill 1949' *Debates*, Victoria, Legislative Assembly, 14 September.

¹⁰⁴ *ibid.*

¹⁰⁵ State Electricity Commission of Victoria (1949) *Thirtieth annual report for the financial year ended 30th June, 1949, together with appendices*, Melbourne, Government Printer, p. 20.

¹⁰⁶ *ibid.*

¹⁰⁷ Abbott (2006) op. cit., p. 30.

¹⁰⁸ *State Electricity Commission (Contracts) Act 1950*

The Newport A power station was transferred from the Victorian Railways to the SECV on 21 January 1951.¹⁰⁹ The *Newport “A” Power Station Act 1951* set the amount to be paid at £1.7 million, and the *Newport “A” Power Station Act 1955*, completed the transfer.¹¹⁰

John Cain’s Labor party returned to government on 17 December 1952. The SECV expanded its operations into the north-west corner of the state, acquiring the Mildura Electrical undertaking in 1953.¹¹¹

June 1955 saw another change in government with the election of the Bolte Liberal government and a new Minister for the SECV, J. S. Bloomfield. In February 1956, George (Kit) Reid succeeded Bloomfield and held the portfolio until May 1967. The SECV also had a new chairman and general manager in Willis Connolly, who was appointed in September 1956. He developed a close relationship with Premier Bolte and would hold the position until he retired in 1971.¹¹²

Hazelwood

In a lengthy statement to Parliament on 24 October 1956, Minister Reid cited the SECV’s report from 1947, saying that to meet the state’s demand for electricity in 1965, a large modern power station would be required.¹¹³ The most suitable location would be at Morwell—taking advantage of the open cut mine—and the name of the power station would be ‘Hazelwood’, after a Latrobe Valley pioneer family.¹¹⁴ Consequently, this was enabled with the passing of the *State Electricity Commission (Hazelwood Power Station) Act 1959*.¹¹⁵

The minister also noted that progress in the expansion of the Morwell and Kiewa projects was curtailed in 1952 owing to the lack of capital funds as well as uncertainty in terms of funding.¹¹⁶ The 1951 financial recession had arrived, forcing a modification of the Morwell project and delays for the Kiewa project.¹¹⁷ On 5 May 1954, Parliament accepted the revised Morwell project to shift priorities to power generation and delay the briquette factories.¹¹⁸

In 1956, the SECV finally ceased to operate the Geelong Tramways, which was replaced by bus services, easing some of SECV’s cost pressures. The Geelong Tramways had been incurring losses over the years, and the Transport Regulation Board had recommended its replacement with a ‘modern omnibus service’.¹¹⁹ That same year, the first brown coal was mined at Morwell.¹²⁰

The expansion driven by strong growth in demand saw several pieces of legislation passed allowing for increased borrowings to accommodate increased costs of fuel, capital and labour. The SECV gradually opened new larger scale plants to take advantage of economies of scale, confident that increased capacity would be fully utilised. This continued into the 1960s and 1970s.¹²¹

¹⁰⁹ Victorian Government (1951) *Victoria Government Gazette*, no. 34, 17 January, p. 256.

¹¹⁰ *Newport “A” Power Station Act 1951; Newport “A” Power Station Act 1955*

¹¹¹ Victorian Government (1953) *Victoria Government Gazette*, no. 780, 23 September, p. 4728.

¹¹² State Electricity Commission of Victoria (1957) *Thirty-seventh annual report for the financial year ended 30th June, 1956, together with appendices*, Melbourne, Government Printer, p. 29; A. Spaul (2007) ‘Sir William Henry Connolly (1901-1981)’, Australian Dictionary of Biography website.

¹¹³ Edwards (1969) op. cit., pp. 194-195; G. O. Reid (1956) ‘Ministerial statement: State Electricity Commission’, *Debates*, Victoria, Legislative Assembly, 24 October.

¹¹⁴ Edwards (1969) op. cit., pp. 194-195; Reid (1956) op. cit.

¹¹⁵ *State Electricity Commission (Hazelwood Power Station) Act 1959*

¹¹⁶ Reid (1956) op. cit., pp. 5228-5229.

¹¹⁷ Edwards (1969) op. cit., p. 215.

¹¹⁸ Reid (1956) op. cit., p. 5228.

¹¹⁹ State Electricity Commission of Victoria (1957) op. cit., p. 26; Edwards (1969) op. cit., pp. 197, 300.

¹²⁰ State Electricity Commission of Victoria (1957) op. cit., p. 21.

¹²¹ Abbott (2006) op. cit., pp. 30-32.

6 | 1960s and 1970s: Going big

The new plants that came on in the 1960s, Yallourn E and Hazelwood, were of greater size and capacity than the pre-war plants that were still in use at Yallourn A and B, and the Yallourn C and D plants installed in the 1950s. This allowed for further growth in productivity and falling prices for electricity in the 1960s, which in turn boosted demand and increased the SECV's earnings.¹²² While the increased profits were forwarded to the Victorian Government, the SECV was still able to expand its transmission and distribution networks to cover most of the state, attracting new customers by dropping charges to below cost. In 1965, the SECV finally introduced equalised tariffs across the state.¹²³

In 1963, the Morwell power station was completed, and in 1964 the first generator at Hazelwood began service.¹²⁴ There had been early problems with these projects due to equipment failures at Hazelwood, as well as the unsuitability of the coal at Morwell for briquettes, requiring coal to be brought in from Yallourn by rail. Capital expenditure on these new projects affected productivity growth in the early 1960s. From the mid-1960s into the early 1970s the completion of construction and operation of these large-scale plants provided security of supply, productivity growth, falling real prices and stabilisation of debt levels for the SECV.¹²⁵

Closure of the Ballarat and Bendigo electric tramway

On 2 February 1962 the SECV announced that it would petition the government to close the Ballarat and Bendigo electric tramway services which were running at a loss.¹²⁶ In June 1967, the SECV again recommended that both systems be abandoned at the earliest possible date.¹²⁷ In June 1968 an inquiry by the Transport Regulation Board into the Ballarat and Bendigo public transport services also recommended that they be replaced with bus services.¹²⁸ A letter from the Ballarat Council to Minister for Fuel and Power James Balfour in September 1969 requested the government abandon the tramway system in the City of Ballarat and replace it with a privately owned and operated bus system.¹²⁹ While a petition opposing the closure was tabled in Parliament in November 1970, the tramway service at Ballarat closed on 19 September 1971, and the Bendigo service on 16 April 1972, and both were replaced by privately owned bus services.¹³⁰

¹²² *ibid.*, p. 33.

¹²³ *ibid.*; Edwards (1969) *op. cit.*, p. 246.

¹²⁴ Edwards (1969) *op. cit.*, p. 301.

¹²⁵ Abbott (2006) *op. cit.*, p. 33.

¹²⁶ State Electricity Commission of Victoria (1962) *Forty-third annual report for the financial year ended 30th June, 1962, together with appendices*, Melbourne, Government Printer, p. 30. (Income: £97,680, Expenditure: £284,208, Loss: £186,528)

¹²⁷ State Electricity Commission of Victoria (1967) *Forty-eighth annual report for the financial year ended 30th June, 1967, together with appendices*, Melbourne, Government Printer 1967, p. 23.

¹²⁸ Transport Regulation Board (1968) *Annual report for year ended 30 June 1968*, Melbourne, Government Printer, p. 23; J.C.M. Balfour (1970) 'Statement by the Hon. J.C.M. Balfour, M.L.A., Minister for Fuel and Power, concerning the proposal by the State Electricity Commission of Victoria to abandon the tramways systems in the City of Ballarat and Borough of Sebastopol, City of Bendigo and Borough of Eaglehawk', Melbourne, State of Victoria, p. 5.

¹²⁹ Balfour (1970) *op. cit.*, p. 13.

¹³⁰ State Electricity Commission of Victoria (1972) *Fifty-third annual report for the financial year ended 30th June, 1972, together with appendices*, Melbourne, Government Printer p. 31; L. V. Shilton (1970) 'Petition: Abandonment of Ballarat and Bendigo tramways', *Votes and Proceedings*, no. 27, 25 November, p. 92; N. B. Trezise (1970) 'Ministerial statement: Abandonment of Ballarat and Bendigo tramways', *Votes and Proceedings*, no. 27, 25 November, p. 93.

Total electrification

The new head office of the SECV was completed and established in May 1967 at Monash House on William Street, Melbourne.¹³¹ Statewide electrification was almost complete, and in 1968 the first high-voltage transmission line from the Latrobe Valley to Melbourne began service.¹³² The sixth generator at Hazelwood came into service in 1969, and its extended development was completed in 1971.¹³³

By 1970, almost 90 per cent of Victorian electricity was generated from brown coal.¹³⁴ The jubilee celebration in March 1969, marking 50 years since the creation of the Electricity Commission in 1919, was commemorated with the publication of a detailed history titled *Brown Power*.¹³⁵

Yallourn township

In August 1961 the SECV decided to remove the township of Yallourn—40 years after its establishment—to allow an open-cut mine of the coal reserves under the Yallourn town area.¹³⁶ It had estimated this would be necessary after 1995, allowing for the gradual attrition of the town over the next 40 years.¹³⁷ This decision was taken to the local Members of Parliament as well as the Yallourn Town Advisory Council in October that year.¹³⁸ However, it was not until 1969 that an inquiry into the decision was referred to the Public Works Committee (PWC) on 9 December, just prior to the prorogation of the 44th Parliament. The new PWC was appointed on 17 June 1970 and commenced its proceedings on 2 July 1970.¹³⁹

In its evidence to the PWC, the SECV stated the need for the continuation of the existing Yallourn power stations as well as the new Yallourn W power station that was under construction and planned for operation by 1973.¹⁴⁰ The power stations at Yallourn were designed for the coal in the Yallourn seam. The SECV cited the technical challenges and the operating difficulties and costs of using coal from other seams—including the Morwell open cut; establishment of a new open cut at Maryvale; extension into the Narracan open cut; and opening of the East Field seam—which would involve diverting railway lines, highways and the Morwell River as well as removing productive farmland.¹⁴¹ SECV's proposed plan would be gradual, staging the removal of houses between 1980 and 2000.¹⁴²

The PWC also heard evidence on the viability of nuclear energy or natural gas as a source for electricity generation. According to Sir Philip Baxter, chair of the Australian Atomic Energy Commission, while a nuclear plant would have low fuel costs, there was high capital investment required, and there was at the time an escalation in capital costs of all kinds for power stations and an increase in interest rates globally. The committee, while enthusiastic

¹³¹ State Electricity Commission of Victoria (1967) op. cit., p. 16.

¹³² Edwards (1969) op. cit., p. 301.

¹³³ Public Works Committee (1971) *Report from the Parliamentary Public Works Committee on the Yallourn coal reserves inquiry*, Melbourne, Government Printer, p. 4.

¹³⁴ Abbott (2006) op. cit., p. 34.

¹³⁵ Edwards (1969) op. cit., Title page.

¹³⁶ Public Works Committee (1971) op. cit., p. 6.

¹³⁷ *ibid.*

¹³⁸ The Yallourn Town Advisory Council had been established by the *State Electricity Commission (Yallourn Area) Act 1947* to advise the SEC on matters affecting the quality of life of the Town's residents, including health, welfare, amenities.

¹³⁹ Public Works Committee (1971) op. cit., p. 6.

¹⁴⁰ *ibid.*, p. 5.

¹⁴¹ *ibid.*, pp. 7–8.

¹⁴² *ibid.*, p. 10.

about the research and the long-term benefits of nuclear energy, did not see it replacing the existing coal-fired plants and the plant under construction.¹⁴³

With the announcement of the PWC Inquiry in 1969 on the removal of the Town of Yallourn, there were attempts—the Save Yallourn Campaign—to try and save the town. However, house removals began in 1975, with many being moved and reconstructed in Newborough. Residents relocated to Yallourn North, Traralgon and other surrounding towns in the Latrobe Valley, and by 1976 there were fewer than 2000 residents. The last resident, an assistant chief engineer, moved out in 1984.¹⁴⁴

Loy Yang

The extended development of Hazelwood power station was completed in 1971, and Yallourn W in 1973.¹⁴⁵ The latter had utilised Japanese equipment and German boiler designs, which had proved more reliable than the UK equipment. With its expanded productivity, the SECV was providing rising returns for the government while lowering prices for the public.¹⁴⁶

The SECV's report to government on 27 May 1971 proposed an extension to the Newport power station with a new steam power station, fuelled by natural gas from the Bass Strait reserves that had been opened in the late 1960s.¹⁴⁷ Expenditure on this project, estimated at \$145 million, was approved by Parliament in November 1971.¹⁴⁸

In February 1974 the SECV submitted a proposal to the government for a 4,000 MW fuel and power generation project in Loy Yang in Traralgon consisting of an open-cut mine and two power stations.¹⁴⁹ The first station was to be developed between 1983 and 1988 and the second between 1989 and 1992. The stations would be close to the extensive reserves of brown coal of the Loy Yang coalfield—estimated at the time to be approximately half of the reserves in the Latrobe Valley.¹⁵⁰ While the SECV had been considering a development at Loy Yang since the 1940s, Yallourn and Morwell had been the favoured options and developed in the intervening years.¹⁵¹ In December 1973, the SECV announced its investigation into Loy Yang to allay concerns of landowners along Traralgon Creek that their land was to be flooded for the Loy Yang development. The commission pointed to developments in engineering allowing the use of cooling towers—which had been incorporated into Yallourn W—rather than dams for the new power stations.¹⁵²

The proposal was referred to the PWC on 1 October 1974, which endorsed the development in principle in its progress report of 18 December 1975.¹⁵³ It had concluded that the SECV's view of increasing demand for electric power was 'quite realistic and well authenticated' and that the validity of its forward planning 'cannot reasonably be questioned'.¹⁵⁴ PWC added that it would confirm its conclusions and recommendations in its final report, including alternative means of power generation, alternative siting, effect on the local community, and finance.

¹⁴³ *ibid.*, p. 5.

¹⁴⁴ Victorian Places (2015) 'Yallourn', Victorian Places website; M. Fletcher (2002) *Digging people up for coal: a history of Yallourn*, Melbourne, Melbourne University Press.

¹⁴⁵ Public Works Committee (1971) *op. cit.*, p. 4; Abbott (2006) p. 34.

¹⁴⁶ Abbott (2006) *op. cit.*, p. 34.

¹⁴⁷ *ibid.*, p. 34–35; State Electricity Commission of Victoria (1971) *State Electricity Commission of Victoria: report on proposed extension to state generating system Newport*, Melbourne, Government Printer.

¹⁴⁸ State Electricity Commission of Victoria (1971) *op. cit.*; *State Electricity Commission (Newport Power Station) 1971 Act*.

¹⁴⁹ Public Works Committee (1975) *Progress report no. 1 on the Loy Yang coal reserves inquiry*, Melbourne, Government Printer, p. 2.

¹⁵⁰ *ibid.*

¹⁵¹ State Electricity Commission of Victoria (1974) *Report of proposed Loy Yang project*, February, Melbourne, SECV, p. 1.

¹⁵² *ibid.*, Appendix 1.

¹⁵³ Public Works Committee (1975) *op. cit.*, p. 6.

¹⁵⁴ *ibid.*, p. 3.

Alternative power sources that were considered included hydro power (no scale of output equivalent to Loy Yang); solar energy (technology not sufficiently advanced); and nuclear energy (no economic incentive compared to brown coal).¹⁵⁵

Parliament was dissolved on 12 February 1976, and a new PWC was appointed and commenced proceedings on 27 April 1976. Its final report dated 6 October primarily concerned the more contentious issues raised during the inquiry, including environmental considerations, water supply and other services, and land acquisition.¹⁵⁶ The committee concluded with recommendations that had been made in principle in its progress report; namely that the government authorise the SECV to develop the Loy Yang project based on using the brown coal from the Loy Yang coalfield and a 4,000 MW power station.¹⁵⁷

That same year, following the inquiry, the SECV submitted its report to the Minister for Fuel and Power, James Balfour, on the proposed extension of the Loy Yang project, citing the need for additional peak-load power stations to supplement the base-load installation.¹⁵⁸ It submitted that an appropriate plant mix of energy sources (brown coal, hydro, gas turbines), with variable costs and availability, would help achieve the minimum production costs to meet the SECV's obligations to provide safe, economic and effective supply of electricity requirements for the state.¹⁵⁹ The natural gas fired Newport power station would provide low-cost regulating energy with the flexibility that could not be facilitated by large coal-fired plants.¹⁶⁰ In May 1977, the Newport power station was declared to be a 'vital state project' under the *Vital State Projects Act 1976*, and in November 1976, the Loy Yang extension received parliamentary approval at the estimated cost at the time of \$1.635 million.¹⁶¹

7 | 1980s challenges

The SECV faced several challenges on these projects. The Newport project attracted considerable opposition from local residents and conservationists.¹⁶² The SEC also faced increasing costs for its Loy Yang project with the development of a new open-cut mine south of Traralgon for the new stations, as well as construction costs for the stations themselves.¹⁶³ Early in 1981, the SEC had engaged consultants Cresap, McCormick and Paget to review the senior management structure to ensure it had the most effective structure, and created a project management organisation for Loy Yang following the review.¹⁶⁴

April 1982 saw the election of the John Cain Jnr Labor government. The new Minister for Minerals and Energy, David White, initiated a restructure of the board and management of the SECV, with the *State Electricity Commission (Amendment) Act 1982* providing for increased accountability to the minister.¹⁶⁵ The Act defined the functions of the SECV to include the establishment of a customer policy review panel and an advisory agency for the disadvantaged on efficient energy use.¹⁶⁶ On the Act's proclamation on 2 March 1983, a new

¹⁵⁵ *ibid.*, p. 4.

¹⁵⁶ Public Works Committee (1976) *Final report on the Loy Yang coal reserves inquiry*, October, Melbourne, Government Printer, p. 5.

¹⁵⁷ *ibid.*, p. 43.

¹⁵⁸ State Electricity Commission of Victoria (1976) *Report on the proposed extension to state generating system: Loy Yang Project*, Melbourne, Government Printer, pp. 1-3.

¹⁵⁹ *ibid.*, p. 1.

¹⁶⁰ *ibid.*, pp. 1-3.

¹⁶¹ *Vital State Projects Act 1976; State Electricity Commission (Loy Yang Power Station) 1976*.

¹⁶² Abbott (2006) *op. cit.*, p. 35.

¹⁶³ *ibid.*

¹⁶⁴ Committee of Review into Loy Yang Costs and Management (1983) *Future of the power industry*, March, Melbourne, Department of Management and Budget Review.

¹⁶⁵ D. White (1982) 'Second reading: State Electricity Commission (Amendment) Bill', *Debates*, Legislative Council, 2 December, pp. 1153-1157.

¹⁶⁶ Department of Minerals and Energy (1984) *The Victorian Electricity Supply Industry: options for the future: discussion paper*, prepared for the Minister for Minerals and Energy, February, Melbourne, Department of Minerals and Energy, foreword; *State Electricity Commission (Amendment) Act 1982*.

board of commissioners was appointed. For the first time an employee commissioner was appointed to the board, elected by SECV employees.¹⁶⁷

The minister also initiated several reviews into the electricity supply situation in Victoria and the state's energy supply options into the future, including the overall organisational structure of the industry.¹⁶⁸ The minister stated that the options outlined in a paper released for public discussion should be seen in context of the government's policy objectives, which included: energy conservation, environmental protection and minimisation of tariff increases; accountability of the industry to its customers and government; local government participation in the use of the state's energy resources; and uniformity of application of customer policies in the industry.¹⁶⁹

The SECV had prepared detailed estimates of the costs for the Loy Yang project in November 1982.¹⁷⁰ There were negotiations at the time with Alcoa to determine electricity prices for its Portland smelter based on supply from Loy Yang and the long-term economics of that supply.¹⁷¹ Concerned about the magnitude of the costs, the government established a Committee of Review chaired by Dr Peter Sheehan of the Department of Management and Budget, which included representatives of the department and three consulting groups—Rheinbraun, Fluor, and Ernst and Whinney—as well as Professor F. K. Wright of the University of Melbourne.¹⁷² The reviews, reporting in December 1982, made recommendations to address technical, construction and operational costs, including better management of contracts, re-evaluation of project management structures in accordance with industry practices, and better controls of capital expenditure, such as managing total foreign exchange exposure.¹⁷³

The reviews identified factors that would have uncertain impacts on the cost estimates, and these included 'overmanning' and strike-related costs.¹⁷⁴ To address this, both the Rheinbraun and Fluor reviews recommended a power industry award that could be negotiated between the state, the SECV and unions to improve industrial relations in the long term, including reducing the number of job classifications, alleviating demarcation problems and possibly allowing for a gradual reduction in the number of employees. The improved industrial relations would allay the inclusion of contingency allowances in tenders for anticipated labour problems and thereby reduce the impact on project costs.¹⁷⁵

In response to this recommendation, the government set up an Industrial Democracy Tripartite Steering Committee involving the government, the trade union movement and the SECV with the express aim of improving industrial democracy in the SECV and, by extension, improving the industrial relations climate in the Latrobe Valley.¹⁷⁶ Disputes about manning proposals and wage rates had been identified as having a real cost for construction and operations of the plants.¹⁷⁷

In July 1989 the SECV also released a discussion paper, 'The SEC and the Greenhouse Effect' for public comment.¹⁷⁸ The SECV had at the time recognised that it was a producer of half of

¹⁶⁷ State Electricity Commission of Victoria (1993) *Annual report, 1992-93*, Melbourne, The Commission, p. 5.

¹⁶⁸ Department of Minerals and Energy (1984) *op cit.*, foreword.

¹⁶⁹ *ibid.*

¹⁷⁰ Committee of Review into Loy Yang Costs and Management (1983) *op. cit.*, p. 2.

¹⁷¹ *ibid.*, p. 1.; [Alcoa Australia](#), aluminium producers began construction of their Portland Smelter in 1980.

¹⁷² Committee of Review into Loy Yang Costs and Management (1983) *op. cit.*, Attachments 1-2.

¹⁷³ *ibid.*

¹⁷⁴ *ibid.*; Steele, K. M. (2013) 'Point of View: A Significant Regional Industrial Dispute from a Novel Perspective', *Provenance: The Journal of Public Record Office Victoria*, issue no. 12, PROV website.

¹⁷⁵ Committee of Review into Loy Yang Costs and Management (1983) *op. cit.*, Attachment 2.

¹⁷⁶ Department of Minerals and Energy (1984) *op. cit.*, p. 13.

¹⁷⁷ Committee of Review into Loy Yang Costs and Management (1983) *op. cit.*, p. 4.

¹⁷⁸ State Electricity Commission of Victoria (1993) *op. cit.*, p. 5; State Electricity Commission of Victoria (1990) *Annual report 1989-90*, The Commission, p. 72.

Victoria's CO2 emissions, and was implementing a Greenhouse Action Plan, aiming to reduce its emissions to 42 Mt by 1993/94. The plan included developing new technologies for using brown coal, development of renewable energy projects, in particular wind energy, and reducing energy use in mining and power generation.¹⁷⁹

In the mid-1980s, the Loy Yang B project experienced similar cost overruns and the SECV consequently faced increasing levels of real debt which peaked in 1986.¹⁸⁰ Additionally, the government required greater contributions to its revenue stream to assist in funding its social program. Adding to the increased dividend to government and servicing greater debt levels incurred by the costs of the power generation projects, the Portland Smelter contract was also providing the Alcoa aluminium smelter with favourable prices at the expense of other consumers. To offset these pressures, the SECV opted to raise electricity tariffs, after more than 20 years of falling prices.¹⁸¹ Electricity prices around the world had risen throughout the 1970s when electricity generation companies were subject to the oil crisis. The SECV had been largely protected from the oil crisis because it generated electricity from brown coal reserves under its control.¹⁸²

The SECV, in its comments to the federal Industry Commission inquiry in 1991 (see 'Federal inquiries' section), pointed to its improved efficiencies achieved by implementing its Production Improvement Program, deferring construction of new capacity with Loy Yang B Units 3 and 4 and improving the operational life of existing power stations.¹⁸³ Additionally, the NSW-Victoria-South Australia power grid interconnection was well established at the time, enabling Victoria to sign a three-year contract with the Electricity Commission of New South Wales (ECNSW) to supply Victoria, which had also allowed for deferment of construction of the new plants.¹⁸⁴

The SECV had also reorganised into three business units: the 'Production Group', responsible for generation of energy; the 'Power Grid Group', responsible for the transfer (transmission) of energy; and the 'Customer Service Group', responsible for distribution of energy and customer service.¹⁸⁵ The restructuring of awards to reduce the number of awards—as recommended by the early 1980s reviews—and reductions in staffing levels in the 18 months to June 1990, had improved labour productivity.¹⁸⁶ This, together with improving operations, yielded a decline in average prices.¹⁸⁷

However, despite this turnaround, the effectiveness of the vertically integrated state-owned model for electricity utilities was being questioned at the federal level. The experiences of several other countries, such as the United States, the United Kingdom, Canada and New Zealand, where vertically integrated electricity utilities were facing similar challenges—overinvestment in plants leading to overpriced electricity—were prompting consideration for reform.¹⁸⁸

8 | 1990s: Federal inquiries

The overextension experienced by the SECV was also being felt by state-owned utilities in other states—although Queensland and NSW had improved their productivity growth in the

¹⁷⁹ State Electricity Commission of Victoria (1990) op. cit., p. 73.

¹⁸⁰ Abbott (2006) op. cit., p. 35.

¹⁸¹ *ibid.*

¹⁸² *ibid.*, p. 36.

¹⁸³ Industry Commission (1991) *Energy generation and distribution. Volume III Supporting appendixes*, no. 11, May, Canberra, AGPS, pp. 103, 105.

¹⁸⁴ *ibid.*, p. 105

¹⁸⁵ *ibid.*, p. 103.

¹⁸⁶ Industry Commission (1991) *Energy generation and distribution. Volume I Summary and recommendations*, no. 11, May, Canberra, AGPS, p. 1.

¹⁸⁷ Industry Commission (1991) *Volume III Supporting appendixes*, op. cit., pp. 103-5

¹⁸⁸ Abbott (2006) op. cit., p. 38.

late 1980s.¹⁸⁹ This led to the Federal Government initiating a number of inquiries into the industry, initially by the Industry Assistance Commission in 1989 and then by the newly named Industry Commission in 1991.¹⁹⁰ There was concern that the international competitiveness of Australia's major industries that relied on the energy sector would be at risk if efficiencies in the sector were not achieved. By 1991, in the view of the Industry Commission (along with inquiry participants, governments and utilities), the gas and electricity industries were not performing to their full potential.¹⁹¹

While acknowledging that most governments had introduced policies to improve efficiency, the focus had been on 'administrative reform' directed at achieving improvement without changing ownership or industry structures.¹⁹² Administrative reform did not address areas where the greatest efficiencies could be realised. For all potential efficiencies to be gained, further changes were required to actively promote competition. The Industry Commission quoted then Chairman of the SECV J. R. Smith that:

... despite all we have done in SECV featherbedded manning agreements and restrictive management and work practices remain. From our experience structural reform is necessary to shake them loose.¹⁹³

Restructuring and competition

The Industry Commission's 1991 report recommended that vertical separation as a means of restructuring the energy industry would be the way to increase national output.¹⁹⁴ This involved:

- the vertical separation of generation and retail from transmission and distribution;
- the corporatisation of utilities;
- the introduction of competition into the generation and retail of electricity by providing access to the transmission and distribution systems on a non-discriminatory basis (i.e. open access); and
- the enhancement of the interconnection system.¹⁹⁵

Specifically, governments would be required to separate ownership of generation, transmission and distribution functions, and break up existing publicly owned generating capacity to form independent generating bodies.¹⁹⁶

In July 1991, a Special Premiers' Conference (later Council of Australian Governments (COAG)) agreed to establish the National Grid Management Council (NGMC), which would advise on the establishment of a national electricity market (NEM).¹⁹⁷ 'The role of the NGMC', stated a Senate committee, 'was to encourage open access to the grid, free trade in bulk electricity, coordinate planning and to arrange competitive sourcing of new generation'.¹⁹⁸ The NGMC issued draft protocols in December 1992 for electricity trading on the grid, which were endorsed by the Federal, Victorian, South Australian and ACT governments.¹⁹⁹

¹⁸⁹ Abbott (2006) op. cit., pp. 37-38.

¹⁹⁰ P. Keating, Treasurer (1990) *Industry Commission inquiries into energy generation and distribution, rail transport and statutory marketing arrangements*, media release, 20 May.

¹⁹¹ Industry Commission (1991) *Vol I Summary and recommendations*, op cit, p. 1.

¹⁹² *ibid.*

¹⁹³ *ibid.*, p. 15

¹⁹⁴ Abbott (2006) op. cit., p. 38.

¹⁹⁵ *ibid.*

¹⁹⁶ Industry Commission (1991) *Vol I Summary and recommendations*, op cit., p. 23.

¹⁹⁷ Senate Economics References Committee (1995) *Eastlink: The Interconnection of NSW and Queensland Electricity Grids with a High Voltage Powerlink*, final report, December, Canberra, The Committee, Preface.

¹⁹⁸ *ibid.*

¹⁹⁹ State Electricity Commission of Victoria (1992) *Annual report 1991-92*, Melbourne, The Commission, p. 17.

The chief general manager of the SECV George Bates was Victoria's representative on the NGMC. While opposing the mass privatisation of generation and distribution of assets, the SECV had favoured providing the private sector with open access to the grid and the formation of the national grid to create a more competitive environment.²⁰⁰ It had begun to develop a power 'pooling' arrangement, VicPool, in 1992 following the agreement to enable an open access grid.²⁰¹

National Electricity Market (NEM)

In October 1993, the NGMC released a discussion paper making recommendations concerning regulation for a national electricity grid, to which COAG agreed in February 1994.²⁰² Ministers representing NSW, Victoria, Queensland, South Australia and the ACT signed a series of intergovernmental agreements in May 1996 to give effect to the recommendations. The National Electricity Law (NEL) and the National Electricity Code (NEC) would be the principal regulatory instruments for the National Electricity Market (NEM). South Australia took responsibility as lead legislator to enact the NEL.²⁰³ Later, the *National Electricity (Victoria) Act 1997* would enable the application of the NEL and NEC in Victoria.

In April 1995, COAG signed an agreement on microeconomic reform based on competition principles, which included a commitment to establish the NEM.²⁰⁴ The NEM was intended at the outset to be a competitive wholesale market for electricity generators to trade through a single common 'pool' to supply participating states and territories.²⁰⁵

9 | Privatisation

Loy Yang B

Concerned about its debt levels from capital works and its exposure to the high interest rates and reduced infrastructure funding of the early 1990s, the SECV adopted a policy of 'no new debt' commencing in 1990–91.²⁰⁶ In that context, the commissioners had foreshadowed the possibility of an increased role of the private sector in electricity generation and supply. Encouraged by the government's interest in increasing the private sector's involvement in providing infrastructure, the SECV was considering private investment in the operation of the Loy Yang B power station.²⁰⁷ This, it decided, would strengthen Victoria's potential to export electricity to other states and diversify the industrial base of the Latrobe Valley region. On 18 October 1990 the SECV Board confirmed its decision to sell Loy Yang B power station.²⁰⁸

The government took the decision to caucus and considered the various options to fund the completion of the project, including the sale of 40 per cent equity to the private sector. After caucus discussion and in light of the federal inquiry's recommendation to introduce competition into the electricity industry, the government passed the *Loy Yang B Act 1992* in June 1992.²⁰⁹ The Act authorised the SECV to sell 40 per cent of Loy Yang B to private sector investors. A further 11 per cent was to be sold to a company affiliated with the Victorian

²⁰⁰ State Electricity Commission of Victoria (1991) *Annual report 1990–91*, Melbourne, The Commission, p. 19.

²⁰¹ State Electricity Commission of Victoria (1992) op. cit., p. 17.

²⁰² Council of Australian Governments (1994) 'Council of Australian Governments' Communiqué, 25 February 1994', COAG Archive website.

²⁰³ ibid.

²⁰⁴ Abbott (2006) op. cit., pp. 37–38.

²⁰⁵ A. R. Stockdale (1997) 'Second reading: National Electricity (Victoria) Bill 1997', *Debates*, Victoria, Legislative Assembly, 23 April, pp. 824–825.

²⁰⁶ State Electricity Commission of Victoria (1990) op. cit., p. 5.

²⁰⁷ State Electricity Commission of Victoria (1991) op. cit., pp. 7, 19.

²⁰⁸ ibid., p. 19.

²⁰⁹ ibid.

Government, independent of the SECV. The operator would be in direct competition with SEC-owned power stations.²¹⁰

In his second reading speech, Treasurer Anthony Sheehan stated that the jointly owned Loy Yang B power station would help the continued reduction of real prices for all Victorian customers and increase the competitiveness of the SECV in the national power grid, reiterating that it would strengthen Victoria's potential to export electricity to other states. The introduction of competition and principal union coverage would result in improved plant performance and industrial relations in the power generation industry.²¹¹ The direct result of the sale would be a 'substantial decrease in the debt levels of the SEC and significant improvement in SEC profit'.²¹²

The Act authorised the Minister for Manufacturing and Industry Development to enter into an agreement with the new owners of the power station on behalf of the state. Various miscellaneous changes to enable the process included powers of the SECV relating to the title, sale and activities on the land of the Loy Yang site, as well as the financial support of the Victorian Public Authorities Finance Agency (VicFin) in the event the SECV was unable to meet its obligations under the project.²¹³ The Act also clarified that the project did not contravene the *Trade Practices Act 1974* (Cth); provided exemptions from various instruments, including the *Freedom of Information Act 1982* (Vic); and stipulated that the new owners would make payments, in lieu of rates, to the affected municipalities, including Traralgon and Morwell.²¹⁴

10 | Restructure and disaggregation

State Owned Enterprises

Following the September 1992 election, the incoming Liberal Government under Jeff Kennett began a major restructuring of the electricity supply industry in Victoria. The *State Owned Enterprises Act 1992* ('SOE Act') was passed on 26 November 1992, and provided for the reorganisation of certain statutory corporations, enabling certain businesses conducted by the state to be operated by state business corporations, or state-owned companies as declared by orders in council.²¹⁵

On 31 December 1992, the SECV concluded the agreement with Mission Energy (a subsidiary of Southern California Edison Corporation, USA) for the sale of a 51 per cent interest in the partially completed Loy Yang B power station.²¹⁶ The new government had negotiated a further 11 per cent transfer to Mission Energy in exchange for a reduction in payment obligations by lowering the price of the contract.²¹⁷ The change was approved by cabinet on 7 December 1992. The government stated its intention to consider further divestiture of the remaining 49 per cent as soon as it was commercially feasible.²¹⁸

²¹⁰ Schedule 1 of the *Loy Yang B Act 1992* set out the Agreement between the State of Victoria and the SECV, Loy Yang B Power Station Pty Ltd, Victorian Power Station Investment Pty Ltd, and Mission Energy Australia Pty Ltd for and behalf of Latrobe Power Partnership. The Act described the Agreement as providing for an unincorporated joint venture.

²¹¹ A. J. Sheehan (1992) 'Second reading speech: Loy Yang B Bill', *Debates*, Victoria, Legislative Assembly, 19 May, p. 1383-1384.

²¹² *ibid.*

²¹³ VicFin later became the Treasury Corporation of Victoria on the 1 January 1993 under the *Treasury Corporation of Victoria Act 1992*

²¹⁴ Sheehan (1992) *op. cit.*; *Freedom of Information Act 1982*

²¹⁵ *State Owned Enterprises Act 1992*

²¹⁶ State Electricity Commission of Victoria (1992) *op. cit.*, p. 23; State Electricity Commission of Victoria (1993) *op. cit.*, p. 32.

²¹⁷ R. M. Hallam (1997) 'Second reading: Electricity Industry (Loy Yang) Bill 1997', *Debates*, Victoria, Legislative Council, 29 April.

²¹⁸ State Electricity Commission of Victoria (1993) *op. cit.*, p. 32.

On 10 August 1993, the government announced the commencement of its major reform program for the Victorian electricity industry.²¹⁹ A target date of 1 October 1993 was set to ‘unbundle and “corporatise” the SECV’ as the first step in the reforms.²²⁰ It used section 14 of the SOE Act to create three separate statutory entities—Generation Victoria (mining and generation), National Electricity (transmission) and Electric Services Victoria (distribution)—from the disaggregated SECV. The three new corporations were established by orders in council made on 5 October 1993.²²¹ The orders included the functions of the bodies as well as appointments to the respective boards. Each power station, additionally, would be separately corporatised to create competition in the generation industry.²²²

Treasurer Stockdale stated the government’s objective was to improve the competitiveness of Victorian industry, which would encourage investment and create jobs.²²³ He went on to state that a more efficient and competitive electricity industry would strengthen Victoria’s position in the emerging national energy market, capitalising on Victoria’s ‘natural advantage of abundant low-cost energy reserves to provide electricity to the rest of Australia’.²²⁴ On 11 August 1993, the government announced the appointment of Peter Troughton of Troughton Swier—specialist private consultants who oversaw the restructuring of the New Zealand electricity industry—as the State-Owned Enterprises Project Director to oversee the restructure.²²⁵

In its opening statements of its 1992–93 annual report, the SECV described the restructure as the end of an era, spanning most of the century, in which the SECV had played an integral role in developing Victoria. From its initial task of developing the Latrobe Valley brown coal reserves to ensure fuel independence for the state, to preparing for the deregulated NEM, it had been inextricably linked to all the major industrial developments in the state.²²⁶

Office of the Regulator General

The Office of the Regulator-General was established on 1 July 1994 as an independent regulator under the *Office of the Regulator-General Act 1994* to implement new regulatory frameworks—initially for the electricity and water industries.²²⁷ The first mandate of the office was regulation of the new electricity industry structure, commencing 3 October 1994, as set out in the *Electricity Industry Act 1993*.²²⁸ Orders in council, licences, codes and pool rules made under these Acts, as well as federal National Electricity Law, Corporations Law and the Trade Practices Act, were intended to promote competition and prevent any misuse of monopoly power or ‘corporate misbehaviour such as misleading conduct or price fixing’.²²⁹

The end of the State Electricity Commission

The new industry structure formally began on 3 January 1994, following the assent of the *Electricity Industry Act 1993* on 14 December 1993. The Act established Generation Victoria, National Electricity and Electricity Services Victoria as statutory corporations in the first stage of the disaggregation of the SECV (See Table 1 and 2). The ‘Administrator for restructuring of the electricity supply industry’ (the Administrator), appointed by the

²¹⁹ A. R. Stockdale, Treasurer & S. J. Plowman, Minister for Energy and Minerals (1993) *Major restructuring of electricity industry commences*, media release, 10 August.

²²⁰ *ibid.*

²²¹ Victorian Government (1993) *Victoria Government Gazette*, no. S 74, 7 October.

²²² A. R. Stockdale, Treasurer & S. J. Plowman, Minister for Energy and Minerals (1993) *Major overhauls of electricity industry begins*, media release, 7 October.

²²³ *ibid.*

²²⁴ *ibid.*

²²⁵ A. R. Stockdale, Treasurer (1993) *International Expert to run electricity reforms*, media release, 11 August; G. A. Hodge (2003) ‘Privatisation: the Australian experience’ in D. Parker & D. Saal (eds) *International handbook on privatization*, Cheltenham UK, Edward Elgar, p. 174.

²²⁶ State Electricity Commission of Victoria (1993) *op. cit.*, pp. 4–5.

²²⁷ *Office of the Regulator-General Act 1994*

²²⁸ Office of the Regulator-General (1995) *Annual report 1994–95*, Melbourne, ORG.

²²⁹ Hodge (2003) *op. cit.*, pp. 172–73.

Treasurer under the new Act, also commenced in their role on 3 January, effectively replacing the former commissioners and the chief executive officer of the SECV under amendments to the *State Electricity Commission Act 1958*.²³⁰ The term of the appointment was initially for no more than two years, and the Administrator was under direction and control of the Treasurer and Minister for Energy and Minerals.²³¹

Effectively, the Office of the Administrator operated under direction of the Office of State Owned Enterprises ('Office of SOE')—a division within the Department of the Treasury; the Electricity Industry Reform Unit, also within the Office of SOE; and the Department of Energy and Minerals. All former staff of the SECV were allocated to the disaggregated bodies or accepted separation arrangements. The Office of the Administrator had no direct staff, operating instead with part-time administrative and technical consultants.²³²

While the intended continuing role of the SECV was purely administrative, the Administrator identified that contractual and operational obligations would be complex and long term in nature.²³³ The SECV still had the role as head contractor for the construction of Loy Yang B power station, expected to be completed around September 1996.²³⁴ National Electricity (see 'National Electricity' section) held the SECV's remaining 49 per cent interest in the joint venture formed to construct and operate Loy Yang B Power Station.²³⁵ SECV was also responsible for contractual relationships involving electricity supply for the aluminium smelters at Portland and Point Henry, the Snowy Mountains Authority, and the interconnecting agreement for the NEM.²³⁶

The SECV would also continue to be responsible for the disposal of various property interests in Melbourne's CBD around the SECV headquarters at Monash House, the Morwell Industrial Estate, Yallourn Workshops, Rubicon Village, Yallourn North Open Cut, and surplus rural land in the Latrobe Valley and gas industry sites.²³⁷ Some of these works included the decommissioning and demolition of power stations at Yallourn, restoration of a former open-cut mine and remediation of contaminated sites. The SECV was responsible for the closure of various service activities such as research and development, and production technology. It would also manage financial matters including the disposal of minor investments and administer the residual debt, following the receipt of proceeds from privatisation of the distribution and generation companies.²³⁸

By June 1999, the SECV still had residual rights and obligations including for the former statutory authorities of the ports of Portland, Geelong and Melbourne; electricity trader functions; and obligations related to the NEM, Snowy Hydro Trading, and the aluminium smelters at Portland and Point Henry. It also managed risk and long-term exposure of the state and SECV to liabilities, including asbestos-related claims, until 30 June 1999 when these were handed on to Victorian Managed Insurance Authority.²³⁹

By June 2000, under a new Labor government—along with its previous continuing obligations—the SECV was also involved as a cross-respondent in a class action case relating to the Longford Gas incident of October 1998.²⁴⁰ The term of the Administrator, who commenced on 3 January 1993 to oversee the disaggregation of the SECV, was extended to

²³⁰ *Electricity Industry Act*; State Electricity Commission of Victoria (1993) op. cit., p. 2.

²³¹ Graham Brooke, Administrator (3 Jan 1994 - 31 Dec 2000) appointed under s 48 of *Electricity Act 1993*.

²³² State Electricity Commission of Victoria (1994) *Annual report 1993-94*, Melbourne, Office of the Administrator, p. 3.

²³³ *ibid.*, p. 4.

²³⁴ *ibid.*

²³⁵ *ibid.*

²³⁶ State Electricity Commission of Victoria (1995) *Annual report 1994-95*, Melbourne, Office of the Administrator, p. 2.

²³⁷ *ibid.*

²³⁸ *ibid.*

²³⁹ State Electricity Commission of Victoria (1999) *Annual report 1998-99*, Melbourne, Office of the Administrator, p. 2.

²⁴⁰ State Electricity Commission of Victoria (2000) *Annual report 1999-2000*, Melbourne, Office of the Administrator, p. 2.

31 December 2000. A new Administrator was appointed on 20 December 2000 and commenced on 1 January 2001.²⁴¹

Generation Victoria

At its establishment as a statutory corporation under the Electricity Industry Act in December 1993, Generation Victoria took over the electricity generation component of the SECV. This included the power stations in the Latrobe Valley: Hazelwood, Loy Yang A and Yallourn W, as well as the Loy Yang, Morwell and Yallourn brown coal mines; Dartmouth hydroelectric power station; Jeeralang and Newport gas power stations; and the operations of the SECV's former research and development unit.²⁴²

In May 1994, the Treasurer disaggregated Generation Victoria into separate generating businesses: Yallourn (Yallourn W power station and Yallourn mine); Hazelwood (Hazelwood power station and Morwell mine); Loy Yang (Loy Yang A power station and Loy Yang mine); VicHydro; and the Gas Business Unit (GBU) (Newport and Jeeralang gas power stations).²⁴³

In January 1995, the disaggregation process continued with Generation Victoria being divided into five separate state-owned electricity generating businesses, four of which traded under their own names and commenced on 1 February 1995: Hazelwood Power Corporation; Yallourn Energy; Loy Yang Power; and Southern Hydro.²⁴⁴

Generation Victoria continued as a shell company trading under the name Ecogen Energy, consisting principally of the Newport power station and Jeeralang power station, as well as providing production technology services to the new businesses and navigating industrial relations and other transition issues. These businesses commenced bidding independently to supply electricity into the Victorian competitive wholesale electricity market for trading—VicPool (Victorian Power Pool)—which had commenced in October 1994.²⁴⁵ Yallourn Energy was sold on 5 March 1996. Hazelwood Power Corporation, along with Energy Brix, were sold on 4 August 1996. Loy Yang Power was sold on 12 May 1997, and Southern Hydro was sold on the 18 December 1997.²⁴⁶

On 28 March 1999 the Treasurer announced the sale of Ecogen Energy to the American AES Corporation, through its subsidiary, AES Transport Holding Pty Ltd., describing it as the final sale in Victoria's electricity reform program.²⁴⁷ On 29 April 1999, Ecogen Energy changed its name to A.C.N. 065 325 206 Ltd. The sale was completed on 29 June 1999.²⁴⁸

²⁴¹ State Electricity Commission of Victoria (2001) *Annual report 2000–2001*, Melbourne, Office of the Administrator, p. 2.

²⁴² Generation Victoria (1994) *Annual report, 1993–94*, Melbourne, GV, pp. 4, 12–13, 25–27.

²⁴³ *ibid.*, p. 4.

²⁴⁴ A. R. Stockdale, Treasurer & S. J. Plowman, Energy Minister (1994) *Victoria moves further ahead on electricity reform*, media release, 5 May; A. R. Stockdale (1994) 'QWN: Electricity industry reforms', *Debates*, Victoria, Legislative Assembly, 5 May, p. 1590; Victorian Government (1995) *Victoria Government Gazette*, no. S 13, 2 February; Generation Victoria (1995) *Annual Report, 1994–95*, Melbourne, GV.

²⁴⁵ Hodge (2003) *op. cit.*, p. 172.

²⁴⁶ State Electricity Commission of Victoria (1996) *Annual report 1995–96*, Melbourne, Office of the Administrator, p. 4; State Electricity Commission of Victoria (1997) *Annual report 1996–97*, Melbourne, Office of the Administrator, p. 4; State Electricity Commission of Victoria (1998) *Annual report 1997–98*, Melbourne, Office of the Administrator, p. 5.

²⁴⁷ A. R. Stockdale, Treasurer (1999) *Ecogen sale completes Victorian electricity reforms*, media release, 28 March.

²⁴⁸ A.C.N. 065 325 206 Ltd. (1999) *Annual report 1 July 1998 to 29 June 1999*, The Company, p. 1.

National Electricity

Loy Yang B

When National Electricity formally began operation on 4 January 1994, it held the state's 49 per cent interest in the joint venture with Mission Energy, formed to construct and operate Loy Yang B Power Station. The power station interests were conducted through National Electricity's wholly owned subsidiary company Loy Yang B Power Station Pty Ltd.²⁴⁹

On 30 September 1996 the completed Loy Yang B Power Station was formally handed over to the owners, Loy Yang B Power Station Pty Ltd.²⁵⁰ The *Electricity Industry (Loy Yang B) Act 1997* facilitated the sale of the state's remaining 49 per cent share in Loy Yang B. When the Act came into force, Loy Yang B Power Station was acquired outright by Mission Energy Australia on 8 May 1997. Loy Yang B Power Station Pty Ltd ceased trading operations on 8 May 1997, and the SECV ceased to have any contractual obligations for the power station.²⁵¹

Victorian Power Exchange (VPX)

On 3 October 1994, under the *Electricity Industry (Amendment) Act 1994*, National Electricity was divided into a 'wires' business, Powernet Victoria, and a trading business, Victorian Power Exchange (VPX).²⁵² The latter initially managed VicPool until this function was largely transferred to the National Electricity Market Management Company (NEMMCO) from 13 December 1998.²⁵³ These businesses operated 'ring-fenced' distribution monopolies and competitive retail businesses; that is, for regulatory reporting purposes, their distribution functions were separated from their retail functions.²⁵⁴

VPX issued its final statement on 27 April 1999 and ceased operation on 24 June 1999. The remaining staff, assets and system planning functions were transferred to Victorian Energy Network Corporation (VENCorp)²⁵⁵, and VPX was finally deregistered in 2001.²⁵⁶

PowerNet

The *Electricity Industry (Miscellaneous Amendment) Act 1997* provided for the corporatisation and privatisation of PowerNet Victoria.²⁵⁷ On 12 October 1997 Premier Kennett and Treasurer Stockdale announced the purchase of PowerNet Victoria by the United States-based energy company GPU (General Public Utilities) International Inc.²⁵⁸ In 2000, GPU Inc. consequently placed GPU PowerNet on the market. On 20 June 2000 Singapore Power's Australian Division (SPI) concluded an agreement to acquire GPU PowerNet, and on 28 August the transmission licence was changed to SPI PowerNet.²⁵⁹ GPU PowerNet had, in early August 2000, entered into a connection agreement with Murraylink Transmission Company, linking South Australia's and Victoria's electricity grids.²⁶⁰

²⁴⁹ National Electricity (1994) *Annual report 1993-94*, Melbourne, NE, p. 16.

²⁵⁰ State Electricity Commission of Victoria (1997) op. cit., p. 3.

²⁵¹ Loy Yang B Power Station (1997) *Annual report*, Melbourne, The Power Station, p. 1; State Electricity Commission of Victoria (1997) op. cit., p. 3.

²⁵² *Electricity Industry (Amendment) Act*.

²⁵³ Abbott (2006) op. cit., p. 39; *Electricity Industry (Further Miscellaneous Amendment) Act 1997*.

²⁵⁴ Hodge (2003) op. cit., p. 184; National Electricity (1994) op. cit.

²⁵⁵ VenCorp was established on 11 December 1997 as a gas transmissions statutory authority by the *Gas Industry (Further Amendment) Act*.

²⁵⁶ Australian Securities and Investment Commission (2001) 'Company deregistrations', *ASIC Gazette* no. 14/01, 4 September.

²⁵⁷ *Electricity Industry (Miscellaneous Amendment) Act*

²⁵⁸ J. G. Kennett, Premier (1997) *PowerNet reaps \$2.7 billion for Victoria*, media release, 12 October.

²⁵⁹ (2000) 'Singapore Power buys GPU Australian unit', *Oil & Gas Journal*, 1 July; Victorian Government (2000) *Victoria Government Gazette*, no. G 36, 7 September, p. 2287; D. Elias (2005) 'Stockdale's orphans – where are they now?', *The Age*, 13 August, p. 6.

²⁶⁰ Victorian Government (2000) *Victoria Government Gazette*, no. G 31, 3 August, p. 1989.

Electricity Services Victoria

On 14 September 1994 Minister for Energy and Minerals James Plowman announced that Electricity Services Victoria (ESV), then consisting of 18 customer service business units and Melbourne's 11 metropolitan municipal electrical undertakings, would be disaggregated into five new electricity distribution businesses remaining under Victorian Government ownership: three metropolitan businesses and two rural businesses.²⁶¹ These entities were CitiPower, Solaris Power and United Energy supplying metropolitan Melbourne and Eastern Energy and Powercor Australia supplying non-metropolitan Victoria.²⁶² In the following year, three of the businesses were sold under the privatisation process: United Energy in August 1995, Solaris Power in October 1995, Eastern Energy in November 1995.²⁶³ PowerCor was sold on 16 November 1995 and CitiPower on the 5 January 1996.²⁶⁴

United Energy

On 7 August 1995, Premier Kennett announced the sale of the United Energy distribution business, which was acquired by the consortium Power Partnership, consisting of the American business Utilcorp, AMP Society and NSW State Super.²⁶⁵ On 29 December 2000, the Office of the Regulator-General approved the transfer of the electricity retail licence formerly held by United Energy to Pulse Energy, effective from 31 December 2000, while United Energy operated an electricity distribution business supplying electricity to Pulse Energy.²⁶⁶

Eastern Energy

Eastern Energy ceased to exist as of 30 September 1995. A Texas Utilities subsidiary company, Texas Utilities Australia Pty Ltd, commenced operation on 1 October 1995, managing the utility before the purchase was finalised on 5 November 1995, as announced by Premier Kennett.²⁶⁷

Solaris Power

On 30 October 1995, Premier Kennett announced the sale of distribution company Solaris Power Ltd to a consortium consisting of Australian Gas Light Company (AGL) and Energy Initiatives Inc.²⁶⁸ Energy Initiatives Inc. was a wholly owned subsidiary of the American power company GPU Inc. The acquisition of a 50 per cent share of Solaris Power made it the first asset in the Victorian electricity transmission business to be acquired by GPU Inc. However, when GPU Inc. purchased PowerNet Victoria (above) in November 1997, it was required to sell its 50 per cent share in Solaris to its partner AGL. Consequently, AGL owned 100 per cent of Solaris, which then began trading as AGL.²⁶⁹

²⁶¹ S. J. Plowman, Minister for Energy and Minerals (1994) *Quality start for new Victorian businesses*, media release, 14 September.

²⁶² Stockdale & Plowman (1994) op. cit.

²⁶³ State Electricity Commission of Victoria (1996) op. cit., p. 4.

²⁶⁴ *ibid.*

²⁶⁵ J. G. Kennett, Premier (1995) *Government announces sale of United Energy*, media release, 7 August.

²⁶⁶ Victorian Government (2000) *Victoria Government Gazette*, no. G 51, 21 December, p. 3039

²⁶⁷ J. G. Kennett, Premier (1995) *Government announces sale of Eastern Energy*, media release, 5 November.

²⁶⁸ J. G. Kennett, Premier (1995) *Government announces sale of Solaris Power*, media release, 30 October; Solaris Power (1995) *Annual report: July–September 1995*, Melbourne, Solaris Power, p. 24.

²⁶⁹ Elias (2005) op. cit.; S. Mayne (2016) 'Mayne: Full list of Aussie foreign power privatisation deals revealed', *Crikey.com.au*, 15 August.

Powercor Australia

The Premier announced the sale of Powercor Australia to PacifiCorp, an American-based utilities company, on 16 November 1995.²⁷⁰ Powercor Australia Ltd operated retail and distribution licences as a privately owned company.

In November 1999 ScottishPower acquired PacifiCorp's interest in Powercor. The following year, ScottishPower announced the sale of its Australian assets, including Powercor Australia, to Cheung Kong Infrastructure and Hongkong Electric Holdings, both members of the Cheung Kong Group.²⁷¹ On 1 June 2001, Origin Energy Electricity announced that it had acquired the electricity retail business of Powercor Australia.²⁷² Powercor continued to supply electricity to Origin Energy Electricity. The electricity distribution business of Powercor Australia continued under the ownership of the Cheung Kong Group.²⁷³

Citipower

The sale of CitiPower to Entergy Corp. (a US utility company) was announced by Premier Kennett in December 1995 and finalised in January 1996.²⁷⁴ Entergy then sold it to American Electric Power (AEP) in November 1998.²⁷⁵ AEP sold CitiPower to the Cheung Kong Group in July 2002, and the retail business was on-sold to Origin Energy Electricity.²⁷⁶

²⁷⁰ J. G. Kennett, Premier (1995) *Government announces sale of Powercor for \$2.15 billion*, media release, 16 November.

²⁷¹ Mayne (2016) op. cit.

²⁷² Victorian Government (2001) *Victoria Government Gazette*, no. S 86, 8 June, p. 4.

²⁷³ Elias (2005) op. cit.

²⁷⁴ J. G. Kennett, Premier (1995) *Victorian Government finalises sale of Citipower*, media release, 14 December.

²⁷⁵ ALP (1998) *Citipower sale shows owner's priorities*, media release, 4 August; Mayne (2016) op. cit.

²⁷⁶ *ibid.*; Victorian Government (2002) *Victoria Government Gazette*, no. G 32, 8 August, p. 2199.

Table 1: Disaggregation and privatisation of Generation Victoria and Electricity Services Victoria

	Business Units (May 1994)	State-owned enterprise (established 1 February 1995)	Sold	Initial purchaser
Generation Victoria (mining and generation)	Yallourn Energy (Yallourn Power and Yallourn mine)	Yallourn Energy	5 March 1996	Powergen International (UK), Itochu investment company, AMP, NSW State Super, Hastings Fund Management ²⁷⁷
	Hazelwood (Hazelwood Power Station and Morwell mine)	Hazelwood Power Corp and Energy Brix	4 August 1996	Hazelwood Power Partnership consortium: National Power (UK), Destec (US), PacificCorp (US), Commonwealth Financial Services and Commonwealth Bank ²⁷⁸
	Loy Yang (Loy Yang A and Loy Yang mine)	Loy Yang Power	12 May 1997	CMS Generation (US); NRG Energy; Horizon Energy Aus (Infrastructure Trust of Australia, ANZ Securities. Macquarie Bank and UniSuper) ²⁷⁹
	VicHydro	Southern Hydro	18 December 1997	Consortium: Infratil Australia Ltd; Contact Energy (NZ); Unisuper Ltd (Aus) ²⁸⁰
	Gas Business Unit (Newport and Jeeralang Gas)	Ecogen Energy (Gas Fired Power Stations) changed to A.C.N. 065 325 206 Ltd. (29 June 1999)	29 June 1999	AES Corporation (US) ²⁸¹

²⁷⁷ State Electricity Commission of Victoria (1996) op. cit.; A. R. Stockdale, Treasurer (1996) *Debt reduction tops \$10 billion as Yallourn Energy sold*, media release, 5 March.

²⁷⁸ State Electricity Commission of Victoria (1997) op. cit.; A. R. Stockdale, Treasurer (1996) *Government announces Hazelwood sale for \$2.35 billion*, media release, 4 August.

²⁷⁹ State Electricity Commission of Victoria (1998) op. cit.; J. G. Kennett, Premier (1997) *Loy Yang A sale Australia's biggest privatisation*, media release, 22 April.

²⁸⁰ State Electricity Commission of Victoria (1997) op. cit.; A. R. Stockdale, Treasurer (1997) *Southern Hydro sold for \$391 million*, media release, 24 November.

²⁸¹ A.C.N. 065 325 206 Ltd. (1999) op. cit. (formerly Ecogen Energy), 1999; Stockdale (1999) op. cit.

Electricity Services Victoria (distribution)	State-owned enterprise (established 3 October 1994)		Sold	Initial purchaser
	Customer service business units	United Energy	7 August 1995	Power Partnerships: Utilcorp (US), AMP Society and NSW State Super ²⁸²
		Solaris Power	20 October 1995	Consortium: AGL, Energy Initiatives (subsidiary of GPU (US)) ²⁸³
		Eastern Energy	5 November 1995	Texas Utilities ²⁸⁴
		PowerCor	16 November 1995	PacificCorp (US), then ScottishPower (Nov 1999) ²⁸⁵
		CitiPower	January 1996	Entergy (US) ²⁸⁶

Table 2: National Electricity

National Electricity (transmission)	State-owned enterprise	Sold	Initial purchaser
	Loy Yang B Power Station Pty Ltd Joint Venture	8 May 1997	Mission Energy ²⁸⁷
	PowerNet Victoria (3 October 1994)	6 November 1997	GPU International (US) ²⁸⁸
	Victorian Power Exchange (VPX) – VicPool (3 October 1994)	<i>Functions transferred to NEMMCO (13 December 1998)</i>	<i>Ceased 24 June 1999</i>

²⁸² J. G. Kennett, Premier (1995) [Government announces sale of United Energy](#), media release, 7 August.

²⁸³ J. G. Kennett, Premier (1995) [Government announces sale of Solaris Power](#), media release, 30 October.

²⁸⁴ J. G. Kennett, Premier (1995) [Government announces sale of Eastern Energy](#), media release, 5 November.

²⁸⁵ J. G. Kennett, Premier (1995) [Government announces sale of Powercor for \\$2.15 billion](#), media release, 16 November.

²⁸⁶ J. G. Kennett, Premier (1995) [Victorian Government finalises sale of Citipower](#), media release, 14 December.

²⁸⁷ State Electricity Commission of Victoria (1997) op. cit.

²⁸⁸ Power Net Victoria (1998) *Annual report June 1998*, Melbourne, PNV; Kennett (1997) [Powernet reaps \\$2.7 billion for Victoria](#), op. cit.

11 | 2022 Revival and renewables

The SECV continued as a statutory entity under the Administrator, managing legacy assets, liabilities, and information requests.²⁸⁹ In 2022, the Victorian Labor Government under Daniel Andrews made an election commitment to re-establish the SECV as a state-owned renewable energy company, placing it at the centre of Labor's economic, environmental and energy campaign narrative.²⁹⁰ The stated aim of the policy was to decarbonise the state's economy to meet the government's target of 65 per cent renewable electricity by 2030.²⁹¹ Additionally, there was a commitment for the SECV to be enshrined in the Victoria's Constitution to ensure its future as a state-owned body.²⁹²

Under the returned Labor government, the SECV was registered as SEC Victoria Pty Ltd, incorporated under the *Corporations Act 2001* (Cth), on 25 October 2023, and declared a state-owned company under the SOE Act on 14 November 2023.²⁹³ The government introduced the State Electricity Commission Amendment Bill 2023 concurrently with the Constitution Amendment (SEC) Bill 2023 on 15 November 2023.

The *State Electricity Commission Amendment Act 2024* was assented to on 26 March 2024, abolishing the former State Electricity Commission of Victoria as constituted under the SEC Act 1958.²⁹⁴ The *Constitution Amendment (SEC) Act 2024* received royal assent on 22 October 2024, enshrining the new SEC Victoria in the Constitution, and ensuring the state always held a controlling interest. The Act entrenched the SEC's objectives to support Victoria's transition to net zero greenhouse emissions based on renewable energy, and prohibited the SEC from 'owning, operating or investing in a fossil fuel facility'.²⁹⁵

12 | Conclusion: From brown coal to renewables

In its 75-year history, the SECV provided the foundation for the economic life of Victoria, driving development and innovation in making the most of a resource that the state had in abundance—brown coal. It took electricity to almost every corner of the state. It recognised and organised for the changes that competition and deregulation had ushered in with the economic challenges of the 1990s. However, the economic imperatives of privatisation proved too strong. As a reimagined energy provider in 2022, it has been tasked with harnessing the economic potential of renewable energy.

²⁸⁹ State Electricity Commission of Victoria (2023) *Annual report 2022-23*, Melbourne, Office of the Administrator, p. 2.

²⁹⁰ Z. Ghazarian (2022) 'Political chronicles: Victoria July to December 2022', *Australian Journal of Politics and History*, 69(2), pp. 352-358.

²⁹¹ *ibid.*; L. D'Ambrosio, (2023) 'Second reading: State Electricity Commission Bill 2023' *Debates*, Victoria, Legislative Assembly, 16 November.

²⁹² Andrews (2022) *op. cit.*

²⁹³ Victoria Government Gazette (2023), *Victoria Government Gazette*, no. G 605, 14 November; SEC Victoria (2024) *Annual report 2023-24*, Melbourne, SEC Victoria, p. 10.

²⁹⁴ *State Electricity Commission Amendment Act; Former SEC (Residual Provisions) Act 1958*, title changed by section 4 of the State Electricity Commission Amendment Act 2024.

²⁹⁵ *Constitution Amendment (SEC) Act 2024*

Reference List

Legislation

Constitution Amendment (SEC) Act 2024

Electric Light and Power Act 1896

Electricity Commissioners Act 1918

Electricity Industry Act 1993

Electricity Industry (Amendment) Act 1994

Electricity Industry (Miscellaneous Amendment) Act 1997

Electricity Industry (Further Miscellaneous Amendment) Act 1997

Former SEC (Residual Provisions) Act 1958 no. 6377 title changed from the *State Electricity Commission Act 1958* by s. 4 of the *State Electricity Commission Amendment Act 2024, no. 11/2024*

Loy Yang B Act 1992

Newport “A” Power Station Act 1951

Newport “A” Power Station Act 1955

Office of the Regulator-General Act 1994

State Electricity Commission Act 1920

State Electricity Commission Act 1922

State Electricity Commission Act 1929

State Electricity Commission (Ballarat and Bendigo Purchase) Act 1929

State Electricity Commission (Financial) Act 1937

State Electricity Commission (Yallourn Area) Act 1947

State Electricity Commission (Financial) Act 1947

State Electricity Commission Act 1948

State Electricity Commission (Contracts) Act 1950

State Electricity Commission Act 1958 – see *Former SEC (Residual Provisions) Act 1958*

State Electricity Commission (Hazelwood Power Station) Act 1959

State Electricity Commission (Newport Power Station) 1971 Act

State Electricity Commission (Loy Yang Power Station) 1976.

State Electricity Commission (Amendment) Act 1982

State Electricity Commission Amendment Act 2024

State Owned Enterprises Act 1992

Vital State Projects Act 1976

References

Annual reports

- A.C.N. 065 325 206 Ltd. (1999) *Annual report 1 July 1998 to 29 June 1999*, The Company.
- Electricity Commissioners (Victoria) (1920) *Report for period 7 March 1919 to 30 June 1920*, Melbourne, Government Printer.
- Generation Victoria (1994–1995) *Annual report, 1993/94–1994/95*, Melbourne, GV.
- Loy Yang B Power Station (1997) *Annual report*, Melbourne, The Power Station.
- National Electricity (1994) *Annual report 1993–94*, Melbourne, NE.
- Office of the Regulator-General (1995) *Annual report 1994–95*, Melbourne, ORG.
- Power Net Victoria (1998) *Annual report, June 1998*, Melbourne, PNV.
- Solaris Power (1995) *Annual report, July–September 1995*, Melbourne, Solaris Power.
- State Electricity Commission of Victoria (1922–1972) *State Electricity Commission of Victoria ... report for the financial year ended 30th June 1922–1972 with appendices*, Melbourne, Government Printer.
- State Electricity Commission of Victoria (1990–1993) *Annual report 1989/90–1992/93*, Melbourne, SEC.
- State Electricity Commission of Victoria (1994–2001) *Annual report 1993/94–2000/01*, Melbourne, Office of the Administrator.
- Transport Regulation Board (1968) *Annual report for year ended 30 June 1968*, Melbourne, Government Printer.

Books and journal articles

- Abbott, M. (2006) 'The performance of an electricity utility: the case of the State Electricity Commission of Victoria, 1925–93', *Australian Economic History Review*, 46(1), pp. 23–36.
- Balfour, J. C. M. (1970) 'Statement by the Hon. J.C.M. Balfour, M.L.A., Minister for Fuel and Power, concerning the proposal by the State Electricity Commission of Victoria to abandon the tramways systems in the City of Ballarat and Borough of Sebastopol, City of Bendigo and Borough of Eaglehawk', Melbourne, State of Victoria.
- Edwards, C. (1969) *Brown power: a jubilee history of the State Electricity Commission of Victoria*, Melbourne, State Electricity Commission of Victoria.
- Fletcher, M. (2002) *Digging people up for coal: a history of Yallourn*, Melbourne, Melbourne University Press.
- Ghazarian, Z. (2022) 'Political chronicles: Victoria July to December 2022', *Australian Journal of Politics and History*, 69(2), pp. 352–358.
- Hodge, G. A. (2003) 'Privatisation: the Australian experience' in D. Parker & D. Saal (eds) *International handbook on privatization*, Cheltenham UK, Edward Elgar, pp. 161–186.
- Lloyd, B. (1995) 'SEC break-up a tragedy for Victoria: senior engineer', *News Weekly*, 29 July, pp. 14–15.

Government Gazettes

- Victorian Government (1921) *Victoria Government Gazette*, no. 3, 7 January, p. 55.
<https://gazette.slv.vic.gov.au/images/1921/V/general/3.pdf>
- Victorian Government (1947) *Victoria Government Gazette*, no. 218, 27 March.
<https://gazette.slv.vic.gov.au/images/1947/V/general/218.pdf>

Victorian Government (1951) *Victoria Government Gazette*, no. 34, 17 January, p. 256.
<https://gazette.slv.vic.gov.au/images/1951/V/general/34.pdf>

Victorian Government (1953) *Victoria Government Gazette*, no. 780, 23 September, p. 4728.
<https://gazette.slv.vic.gov.au/images/1953/V/general/780.pdf>

Victorian Government (1993) *Victoria Government Gazette*, no. S 74, 7 October.
<https://gazette.slv.vic.gov.au/images/1993/V/S/74.pdf>

Victorian Government (1995) *Victoria Government Gazette*, no. S 13, 2 February.
<https://gazette.slv.vic.gov.au/images/1995/V/S/13.pdf>

Victorian Government (2000) *Victoria Government Gazette*, no. G 31, 3 August, p. 1989.
<https://www.gazette.vic.gov.au/gazette/Gazettes2000/GG2000G031.pdf>

Victorian Government (2000) *Victoria Government Gazette*, no. G 36, 7 September, p. 2287.
<https://www.gazette.vic.gov.au/gazette/Gazettes2000/GG2000G036.pdf>

Victorian Government (2000) *Victoria Government Gazette*, no. G 51, 21 December, p. 3039
<https://www.gazette.vic.gov.au/gazette/Gazettes2000/GG2000G051.pdf>

Victorian Government (2001) *Victoria Government Gazette*, no. S 86, 8 June, p. 4.
<https://www.gazette.vic.gov.au/gazette/Gazettes2001/GG2001S086.pdf>

Victorian Government (2002) *Victoria Government Gazette*, no. G 32, 8 August, p. 2199.
<https://www.gazette.vic.gov.au/gazette/Gazettes2002/GG2002G032.pdf>

Victorian Government (2023) *Victoria Government Gazette*, no. S 605, 14 November.
<https://www.gazette.vic.gov.au/gazette/Gazettes2023/GG2023S605.pdf>

Hansard & Votes and Proceedings

Barnes, S. (1918) 'Second reading speech: Electricity Commissioners Bill 1918', *Debates*, Victoria, Legislative Assembly, 17 December, pp. 3152-3160.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1918/19181216-19181220-hansard-combined.pdf>

Brown, J. D. (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Council, 17-19 December, pp. 38025-3834, 3897-3925, 4005-4020.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1912/19121216-19121220-hansard-combined.pdf>

D'Ambrosio, L. (2023) 'Second reading: State Electricity Commission Bill 2023' *Debates*, Victoria, Legislative Assembly, 16 November, pp. 4553-4554.
https://hansard.parliament.vic.gov.au/images/stories/daily-hansard/Assembly_2023/Legislative_Assembly_2023-11-16.pdf

Dunstan, A. A. (1937) 'Committee of supply: The Budget', *Debates*, Legislative Assembly, 11 August, pp. 526-542. <https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1937/19370810-19370812-hansard-combined.pdf>

Hallam, R. M. (1997) 'Second reading: Electricity Industry (Loy Yang) Bill 1997, *Debates*, Victoria, Legislative Council, 29 April, pp. 465-467.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1997/19970429-19970501-hansard-lc.pdf>

Hollway, T. T. (1949) 'Second reading: Latrobe Valley Development Loan and Application Bill 1949' *Debates*, Victoria, Legislative Assembly, 14 September, pp. 1952-1958.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1949/19490913-19490914-hansard-combined.pdf>

Lawson, H. (1918) 'Second reading: Electricity Commissioners Bill 1918', *Debates*, Victoria, Legislative Assembly, 17 December, pp. 3248-3250.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1918/19181216-19181220-hansard-combined.pdf>

Legislative Assembly of Victoria (1918) 'Electricity Commissioners Bill', *Votes and Proceedings*, no. 60, 10 December, p. 95.
https://www.parliament.vic.gov.au/4970ec/contentassets/25a4b5151d964d6486ec7f0e084ade45/votes__proceedings_1918_s1_edited.pdf

Reid, G. O. (1956) 'Ministerial statement: State Electricity Commission', *Debates*, Victoria, Legislative Assembly, 24 October, pp. 5218-5246.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1956/19561023-19561025-hansard-combined.pdf>

Sheehan, A. J. (1992) 'Second reading speech: Loy Yang B Bill 1992', *Debates*, Victoria, Legislative Assembly, 19 May, pp. 1383-1384.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1992/19920519-19920521-hansard-la.pdf>

Shilton, L. V. (1970) 'Petition: Abandonment of Ballarat and Bendigo tramways', *Votes and Proceedings*, no. 27, 25 November, pp. 92-93.
https://www.parliament.vic.gov.au/497278/contentassets/2264de7be6744116bc57711a63396065/votes__proceedings_1970-71_s1.pdf

Stockdale, A. R. (1997) 'Second reading: National Electricity (Victoria) Bill 1997', *Debates*, Victoria, Legislative Assembly, 23 April, pp. 824-825.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1997/19970422-19970424-hansard-la.pdf>

Stockdale, A. R. (1994) 'QWN: Electricity industry reforms', *Debates*, Victoria, Legislative Assembly, 5 May 1994, p. 1590.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1994/19940503-19940506-hansard-la.pdf>

Treize, N. B. (1970) 'Ministerial statement: Abandonment of Ballarat and Bendigo tramways', *Votes and Proceedings*, no. 27, 25 November, p. 93.
https://www.parliament.vic.gov.au/497278/contentassets/2264de7be6744116bc57711a63396065/votes__proceedings_1970-71_s1.pdf

Watt, W. A. (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Assembly, 6-7 November, pp. 2510-2539, 2555-2562.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1912/19121105-19121108-hansard-combined.pdf>

Watt, W. A. (1912) 'Motion: Electrification of the Metropolitan Railways System', *Debates*, Victoria, Legislative Assembly, 10 December, pp. 3505-3566.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1912/19121210-19121213-hansard-combined.pdf>

White, D. (1982) 'Second reading: State Electricity Commission (Amendment) Bill 1982', *Debates*, Victoria, Legislative Council, 2 December, pp. 1153-1157.
<https://www.parliament.vic.gov.au/4afc6b/globalassets/hansard-historical-documents/weekly/1982/19821130-19821202-hansard-lc.pdf>

Media releases

ALP (1998) *Citipower sale shows owner's priorities*, media release, 4 August.

Andrews, D., Premier (2022) *Bringing back the SEC: for the good of Victorians, for good* media release, 22 November.

Keating, P., Treasurer (1990) *Industry Commission inquiries into energy generation and distribution, rail transport and statutory marketing arrangements*, media release, 20 May.

Kennett, J. G., Premier (1995) *Government announces sale of Eastern Energy*, media release, 5 November.

Kennett, J. G., Premier (1995) *Government announces sale of Powercor for \$2.15 billion*, media release, 16 November.

Kennett, J. G., Premier (1995) *Government announces sale of Solaris Power*, media release, 30 October.

Kennett, J. G., Premier (1995) *Government announces sale of United Energy*, media release, 7 August.

Kennett, J. G., Premier (1995) *Victorian Government finalises sale of Citipower*, media release, 14 December.

Kennett, J. G., Premier (1997) *Loy Yang A sale Australia's biggest privatisation*, media release, 22 April.

Kennett, J. G., Premier (1997) *Powernet reaps \$2.7 billion for Victoria*, media release, 12 October.

Plowman, S. J., Minister for Energy and Minerals (1994) *Quality start for new Victorian businesses*, media release, 14 September.

Stockdale, A. R., Treasurer & S. J. Plowman, Energy Minister (1994) *Victoria moves further ahead on electricity reform*, media release, 5 May.

Stockdale, A. R., Treasurer & S. J. Plowman, Energy Minister (1993) *Major restructuring of electricity industry commences*, media release, 10 August.

Stockdale, A. R., Treasurer & S. J. Plowman, Minister for Energy and Minerals (1993) *Major overhaul of electricity industry begins*, media release, 7 October.

Stockdale, A. R., Treasurer & S. J. Plowman, Minister for Energy and Minerals (1994) *New era for Victoria's electricity consumers*, media release, 3 October.

Stockdale, A. R., Treasurer (1993) *International expert to run electricity reforms*, media release, 11 August.

Stockdale, A. R., Treasurer (1996) *Debt reduction tops \$10 billion as Yallourn Energy sold*, media release, 5 March.

Stockdale, A. R., Treasurer (1996) *Government announces Hazelwood sale for \$2.35 billion*, media release, 4 August.

Stockdale, A. R., Treasurer (1997) *Southern Hydro sold for \$391 million*, media release, 24 November.

Stockdale, A. R., Treasurer (1999) *Ecogen sale completes Victorian electricity reforms*, media release, 28 March.

News articles

(1912) 'Anglo-German syndicate: government not bound: statement by the Premier', *The Age*, 24 June, p. 10, accessed via Trove archive.
<https://trove.nla.gov.au/newspaper/article/197376073>

(1912) 'Railways electrification: considering the tenders', *The Argus*, 10 September, p. 6, accessed via Trove website.
<https://trove.nla.gov.au/newspaper/article/10519156>

(1918) 'The Government's policy: ... Control of power supply', *The Age*, 28 June, p. 7, accessed via Trove website.
<https://trove.nla.gov.au/newspaper/article/155094910>

(1924) 'Power flows over transmission lines from Yallourn', *The Age*, 17 June, p. 9, accessed via Trove website.
<https://trove.nla.gov.au/newspaper/article/4319951>

(1924) 'Yallourn powers: supply made available yesterday' *The Age*, 17 June, p. 5, accessed via Trove website.

<https://trove.nla.gov.au/newspaper/article/20365868>

(1926) 'Yallourn to Corowa: Longest electric transmission in British Empire', *The Herald*, 3 February, p. 11, accessed via Trove website.

<https://trove.nla.gov.au/newspaper/article/244060052>

(1928) 'Hydro-electricity: Lower Rubicon station opened', *The Age*, 3 April, p. 14, accessed via Trove website.

<https://trove.nla.gov.au/newspaper/article/202317000>

(1929) 'Hydro-electric works: Sugarloaf station completed', *The Argus*, 6 March, p. 8, accessed via Trove website.

<https://trove.nla.gov.au/newspaper/article/3991065>

(2000) Singapore Power buys GPU Australian unit', *Oily & Gas Journal*, 1 June.

<https://www.ogj.com/general-interest/companies/article/17252770/singapore-power-buys-gpu-australian-unit>

Elias, D. (2005) 'Stockdale's orphans – where are they now?', *The Age*, 13 August, p. 6.

Mayne, S. (2016) 'Mayne: Full list of Aussie foreign power privatisation deals revealed', *Crikey.com.au*, 15 August. <https://www.crikey.com.au/2016/08/15/mayne-aussie-foreign-power-privatisation-deals-revealed/>

Reports

Advisory Committee on Brown Coal (1917) *Report of the Advisory Committee on Brown Coal*, Melbourne, The Committee.

Cabinet Sub-Committee on Brown Coal Development (1946) *Report*, April, Melbourne, The Committee.

Committee of Review into Loy Yang Costs and Management (1983) *Future of the power industry*, March, Melbourne, Department of Management and Budget Review.

Department of Minerals and Energy (1984) *The Victorian Electricity Supply Industry: options for the future: discussion paper*, prepared for the Minister for Minerals and Energy, February, Melbourne, Department of Minerals and Energy.

Industry Commission (1991) *Energy generation and distribution. Volume I Summary and recommendations*, May, Canberra, AGPS.

Industry Commission (1991) *Energy generation and distribution. Volume III Supporting appendixes*, no. 11, May, Canberra, AGPS,

Merz, C. H. (1908) *Report upon the application of electric traction to the Melbourne suburban railway system*, Melbourne, Victorian Railways.

Merz, C. H. (1912) *Application of electric traction to the Melbourne suburban railway system: report by Charles H. Merz on proposed procedure in regard to supply of power*, Melbourne, Government Printer.

Public Works Committee (1971) *Report from the Parliamentary Public Works Committee on the Yallourn coal reserves inquiry*, Melbourne, Government Printer.

Public Works Committee (1975) *Progress report no. 1 on the Loy Yang coal reserves inquiry*, Melbourne, Government Printer.

Public Works Committee (1976) *Final report on the Loy Yang coal reserves inquiry*, Melbourne, Government Printer, 6 October.

Royal Commission appointed to inquire into and report upon the railway and tramway systems of Melbourne and Suburbs (1911) *Report*, prepared for the Victorian Government, Melbourne, Government Printer.

<https://webresource.parliament.vic.gov.au/VPARL1911No39.pdf>

Senate Economics References Committee (1995) *Eastlink: The Interconnection of NSW and Queensland Electricity Grids with a High Voltage Powerlink*, final report, December, Canberra, The Committee.

https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Completed_inquiries/pre1996/elec/report/b06

State Electricity Commission of Victoria (1945) *A report of the future country electrical development in Victoria: with particular reference to the proposal for the introduction of uniform rate for electricity supply throughout the state*, March, Melbourne, Government Printer.

State Electricity Commission of Victoria (1946) *Report of SEC on further development of the briquette industry based on brown coal resources in the Latrobe Valley*, December, Melbourne, Government Printer.

State Electricity Commission of Victoria (1947) *Report of State Electricity Commission of Victoria on extension of Kiewa Hydro-Electric project from 117 megawatts to 289 megawatts and matters related to the system generating capacity*, November, Melbourne, Government Printer.

State Electricity Commission of Victoria (1947) *Report of the SECV on recommendations of the Royal Commission on Electricity Supply*, December, Melbourne, SECV.

State Electricity Commission of Victoria (1971) *State Electricity Commission of Victoria: report on proposed extension to state generating system Newport*, Melbourne, Government Printer.

State Electricity Commission of Victoria (1974) *Report of proposed Loy Yang project*, February, Melbourne, SECV.

State Electricity Commission of Victoria (1976) *Report on the proposed extension to state generating system: Loy Yang Project*, Melbourne, Government Printer.

Websites

Australian Securities and Investment Commission (2001) 'Company deregistrations', *ASIC Gazette no. 14/01*, 4 September.

https://download.asic.gov.au/media/1312567/asic14_01.pdf

Council of Australian Governments (1994) 'Council of Australian Governments' Communiqué, 25 February 1994', COAG Archive website.

https://webarchive.nla.gov.au/awa/20130411134901/http://archive.coag.gov.au/coag_meeting_outcomes/1994-02-25/index.cfm

Public Records Office of Victoria (2026) 'State electricity commission', PROV website

<https://prov.vic.gov.au/archive/VF145>

Serle, G. (2006) 'Sir John Monash (1865-1931)', Australian Dictionary of Biography website.

<https://adb.anu.edu.au/biography/monash-sir-john-7618>

Spaull, A. (2007) 'Sir Willian Henry Connolly (1901-1981)', Australian Dictionary of Biography website. <https://adb.anu.edu.au/biography/connolly-sir-willis-henry-12342>

Steele, K. M. (2013) 'Point of View: A Significant Regional Industrial Dispute from a Novel Perspective', *Provenance: The Journal of Public Record Office Victoria*, issue no. 12, PROV website.

<https://prov.vic.gov.au/explore-collection/provenance-journal/provenance-2013/point-view>

Victorian Places (2015) 'Yallourn', Victorian Places website.

<https://www.victorianplaces.com.au/yallourn>

Suggested citation

Aroozoo, M. (2026) *The State Electricity Commission of Victoria: a history, 1918 to 2022*, Parliamentary Library, Melbourne, Parliament of Victoria.

Acknowledgements

The Parliament of Victoria Library acknowledges the Traditional Owners of the lands on which we work and live. We pay our respects to Aboriginal and Torres Strait Islander Elders past and present, and we value Aboriginal and Torres Strait Islander history, culture and knowledge.

The authors would like to thank Angus Tonkin, Annie Wright, Ellie Florence and Debra Reeves for their assistance in the preparation of this paper.

Information in this paper was current as at the time of publication. It should not be considered as a complete guide to the particular subject or legislation covered. While it is intended that all information provided is accurate, it does not represent professional legal opinion. Any views expressed are those of the author(s). Some hyperlinks may only be accessible on the Parliament of Victoria's intranet.

© 2026 Victorian Parliamentary Library, Parliament of Victoria



Research Papers produced by the Victorian Parliamentary Library, Department of Parliamentary Services, Parliament of Victoria are released under a Creative Commons 4.0 Attribution-NonCommercial-NoDerivs licence.

By using this Creative Commons licence, you are free to share – to copy, distribute and transmit the work under the following conditions.

Attributions – You must attribute the work in the manner specified by the author or licensor (but not in any way that suggests that they endorse you or your use of the work).

Non-Commercial – You may not use this work for commercial purposes without our permission.

No Derivative Works – You may not alter, transform, or build upon this work without our permission.

The Creative Commons licence only applies to publications produced by the Library, Department of Parliamentary Services, Parliament of Victoria.

All other material produced by the Parliament of Victoria is copyright. If you are unsure, please contact us.

Enquiries

Victorian Parliamentary Library
Parliament House, Spring Street
Melbourne VIC 3002
Telephone: (03) 9651 8640
<https://parliament.vic.gov.au/>

Research Paper

Victorian Parliamentary Library

ISSN 2204-4752 (Print) 2204-4760 (Online)