

Fact Sheet

Safety & reliability regulation of NSW electricity networks

16 February 2016



WHAT

IPART is now the safety and reliability regulator for NSW electricity networks.

We will strive to ensure safe and reliable supply of electricity for the benefit of the NSW community (including employees of the network operators) and the environment.



WHY

IPART has been granted new compliance and enforcement powers with an overall objective to:

- ▼ maintain safety standards within electricity networks, and
- ▼ meet relevant reliability standards set by Government.



WHO

There are six electricity network operators in NSW that are subject to IPART's new regulatory powers. Three of them are involved in being leased by the Government to private network operators. The six network operators are:

- ▼ TransGrid, which was leased to a private operator in December 2016.
- ▼ Ausgrid and Endeavour Energy, which are intended to be partially leased to private operators this year.
- ▼ Essential Energy and Sydney Trains, which are and will remain Government owned and operated.
- ▼ Directlink, which is privately owned and operated.



HOW

Electricity networks will continue to have the ultimate responsibility for network safety and reliability. Our role is to hold these utilities accountable by developing an effective risk based compliance and enforcement framework.

We are reviewing the current framework with the aim of improving the existing processes to make them more outcome driven and risk based. Further, the framework will need to reflect the recent legislative amendments (in particular, new requirements on leased network operators involving environmental assessment practices, employment guarantees and step-in powers to maintain essential services).



WHAT NEXT

We are currently assessing the six network operators' bushfire risk management. Soon, we will provide feedback on individual performance.

In the next couple of months, we will consult on and publish:

- ▼ a reporting manual
- ▼ audit guidelines, and
- ▼ an audit plan

The draft documents will soon be available to download from our website.

These will assist network operators to understand IPART's approach to monitoring and enforcing compliance with safety and reliability obligations.