

Fact Sheet – Safety and Reliability Regulation of NSW Electricity Networks

30 September 2015



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
- ▼ meet relevant reliability standards set by Government.



WHO

There are six electricity network operators in NSW that are subject to IPART's safety and reliability regulation. One of these is privately owned and three government owned networks are intended within the next 6-12 months to be fully or partially leased:

Network Operators (to be leased)	Other Network Operators
▼ TransGrid (<i>full</i>)	▼ Essential Energy
▼ Ausgrid (<i>partial</i>)	▼ DirectLink ^a
▼ Endeavour Energy (<i>partial</i>)	▼ Sydney Trains

^a Privately owned by Energy Infrastructure Investments and operated by APA Group.



HOW

Electricity network operators continue to have the prime responsibility for network safety and reliability. IPART's role is to hold these utilities accountable by developing an effective risk based compliance and enforcement framework.

We will review 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, employee guarantees and step-in powers to maintain essential services).



WHAT NEXT

IPART will:

- ▼ Commencing in August 2015 – engage with industry and other regulators.
- ▼ Commencing in October 2015 – review network operators' plans for the prevention and mitigation of bushfire danger resulting from the transmission and distribution of electricity.
- ▼ Commencing in December 2015 – engage inspectors and develop a proactive inspection program.
- ▼ By April 2016 – develop risk-based auditing guidelines, a new reporting manual, a new incident reporting manual and a compliance/enforcement policy.
- ▼ By April 2016 – develop compliance processes to maintain effective environmental assessment practices in leased electricity networks.
- ▼ By April 2016 – develop compliance processes for Employment Guarantees.