

IPART Review of Safety Management System Reporting Requirements



Submission to IPART Issues Paper – April 2018

1. TransGrid Response to Issues Paper Questions

Table 1: TransGrid Response to Issues Paper Questions

Issues Paper Question	TransGrid Response
1. Do you agree with the proposed assessment criteria for the review?	Yes, the assessment criteria in TransGrid's view strikes the right balance between IPART's needs and the needs of the business.
2. How does each ENO assess the performance of their electricity network safety management system against the objectives of the ESSNM regulation?	<p>The requirements of the ESSNM were identified and a set of performance indicators have been developed to assess the performance of the ENSMS towards achieving the objectives of the ESSNM regulation.</p> <p>As well as the performance indicators, monitoring and review of the ENSMS is undertaken periodically using internal audit, failure investigations, internal reporting, and internal committee and executive oversight.</p>
3. How should the ENOs bring performance measurement results to the attention of their customers and the public?	<p>The current requirement for each ENO to publish its ENSMS Annual Performance Report on its website assists with bringing the performance measurement results to the attention of customers and the public. It is suggested to maintain this requirement.</p> <p>TransGrid's ENSMS includes a stakeholder communications plan where each stakeholder, key messaging, and mediums of communication are developed. This also details the degree to which stakeholders, including the public and customers, are informed or consulted in the development and performance of the ENSMS.</p>
4. What information should not be in the public domain? Why?	<p>TransGrid's stakeholder engagement principles state that TransGrid will seek to build support, credibility, and trust with stakeholders through transparent communication with the public to the degree possible.</p> <p>TransGrid does not believe that internal business management processes, information that is considered Intellectual Property (IP), or information that is commercial in confidence to the ENO should be in the public domain. Nor should information on events subject to legal process or privilege.</p>
5. When consulting with external stakeholders while preparing the electricity network safety management system performance report and formal safety assessments, what have ENOs discovered about the information and measures of performance the public is most interested in?	TransGrid has no material input to this question based on the stakeholder consultation undertaken to date.

6. Is there value in combining the electricity network safety management systems reporting and bushfire preparedness reporting into one performance report?	TransGrid see little value in combining the two reports as they are different in nature and purpose. The ENSMS annual performance report has a management system focus; the bushfire preparedness report has a more operational task based focus to assist with preparation up to the start of the bushfire season.
7. Do the current reporting timelines need to be modified to improve IPART's visibility of bushfire preparedness activities?	No.
8. Is more frequent reporting (eg, quarterly) of key information required to ensure the objectives in the electricity network safety management system are being appropriately achieved throughout the year?	There is no perceived value from more frequent reporting since IPART is informed of significant incidents as they occur (through the OSIRIS reporting portal). ENSMS reporting at an annual frequency seems adequate for the content it covers.
9. Should IPART adopt a dual assurance approach to measuring the performance of the electricity network safety management system and bushfire risk management?	Yes, suitable leading and lagging indicators should be established.
10. Do you agree with the tiered approach proposed for performance measures?	Yes.
11. How would the Tier 1 and Tier 2 measures relate to the regulatory objectives?	Tier 1 measures should relate to significant incidents that have violated the objectives of the regulation. Tier 2 measures should relate to major incidents that could have violated the objectives of the regulation. IPART should set the criteria on materiality and type of incidents.
12. What are the Tier 1 and Tier 2 performance measures that could be used to assess the overall and comparative performance of each ENO?	Tier 1 and Tier 2 performance measures should align with the OSIRIS incident reporting.
13. Should Tier 1 and Tier 2 performance measures be normalised and what factors should be used to normalise?	It was informed at the workshop held on 29 March 2018 that Question 13 was intended to refer to Tier 3 and Tier 4 performance measures. The appropriateness of normalisation depends on the definition of each Tier 3 and Tier 4 performance measures. There may be some benefits from normalising data; however, normalisation may not be appropriate for all Tier 3 and Tier 4 performance measures. Factors that could be used in normalisation could include asset population size/length (for example, length of transmission lines in Hazardous Bushfire Risk Area).
14. How should factors outside of the control of the ENO be captured when reporting Tier 1 and Tier 2 performance measures?	These factors should be captured by the ability for the ENO to provide commentary in the performance report.

<p>15. For the critical controls in place, what are the Tier 3 and Tier 4 performance measures that IPART could use to assess the performance of the electricity network safety management system?</p>	<p>It would be helpful for IPART to define the term ‘critical control’, to enable consistency in interpretation and reporting across the ENOs; this would also aid ENOs to assess the effectiveness of ‘critical controls’ implemented in its ENSMS, which ultimately impacts on the performance of its ENSMS.</p> <p>There needs to be a clearer definition of and distinction between Tier 3 and Tier 4 performance measures (that is, how are Tier 3 and Tier 4 performance measures distinguished from each other?)</p> <p>Tier 3 and Tier 4 measures should relate to, or allow focus on, those incidents and non-conformances that have the potential to violate the objectives of the regulation.</p> <p>It is suggested to align Tier 3 performance measures to the hazards in FSAs.</p> <p>See Table 2 and Table 3 for suggested Tier 3 and Tier 4 performance measures, respectively.</p>
<p>16. What process should IPART adopt within the reporting manual to allow ENOs to evolve Tier 3 and Tier 4 performance measures over time?</p>	<p>It is suggested that the Reporting Manual should include a common set of Tier 3 and 4 measures where commonality exists across the businesses, but then also allow scope for the networks to propose their own.</p> <p>IPART could set guidelines in defining controls, and selecting critical controls.</p> <p>Updates to the IPART reporting manual have been the catalyst for ENOs to evolve their Tier 3 and Tier 4 performance measures over time.</p>
<p>17. How should IPART assess the accuracy and quality of the data reported by the networks?</p>	<p>Accuracy of data can be influenced by IPART setting the process used to translate data used to report against the performance measures.</p> <p>IPART need to set clear guidelines and include monitoring against these guidelines in its audit criteria.</p>
<p>18. Should a Bushfire Mitigation Index be developed and reported to IPART for monitoring preparedness for the bushfire danger period?</p>	<p>Reporting a Bushfire Mitigation Index, and particularly reporting on the underlying variables constituting the index, could be helpful.</p> <p>Note, the start and end of the bushfire danger period varies within Local Government Areas (LGAs), thus IPART will need to work with RFS to communicate to ENOs the start and end of the bushfire danger period.</p>
<p>19. Should the Bushfire Mitigation Index calculation method be consistent across all ENOs?</p>	<p>Yes, if a single calculation method still gives consistent results. This would enable benchmarking of performance to efficiently and effectively reduce bushfire risk.</p>

Table 2: Tier 3 Performance Measures (Near Miss – Barrier Failure)

Performance Measure	Proposed Metrics
Electric shock	Raw number of occurrences, categorised by ENO worker, contractor, and member of the public.
Switching incidents	Raw number of incidents.
Unauthorised access or entry to the network	Raw number of occurrences, as per the current Electricity Networks Reporting Manual criteria (for example, categorised into Major substations and switching stations, and communications equipment outside major substations).
Explosive Failure	Raw number of occurrences
Conductor failure	<ul style="list-style-type: none"> > Raw data on the circuit length of conductor conditionally failed disaggregated by structure type. > Raw number of functional failures, categorised by Unassisted versus Assisted and Fire versus No Fire. > Functional failure rate for the year per 1000 km of conductor based on circuit length.
Conductor failure	<ul style="list-style-type: none"> > Raw data on number of failures > Functional failure rate for the year per 1000 km of conductor based on circuit length.
Conductor strike	Raw number of occurrences.
Cable strike	Raw number of occurrences.
Vegetation Flashover	Raw number of occurrences.

Table 3: Tier 4 Performance Measures (Safety Management System – Control Effectiveness)

Performance Measure	Proposed Metrics
Vegetation encroachment on network assets	<ul style="list-style-type: none"> > Raw data on route length of conductors inside and outside of bushfire prone areas. > Inspections – Actual number of spans inspected versus Planned (raw number and % complete). > Raw number of Category 1, Category 2, Category 3, and Category 4 defects. > Raw number of total vegetation encroachments as a result of third parties. <p>Each metric above categorised by ‘Inside bushfire prone areas’ and ‘Outside bushfire prone areas’.</p>
Asset defects	<p>Raw number of Category 1, Category 2, Category 3 and Category 4 defects for the following asset types:</p> <ul style="list-style-type: none"> > Pole/tower > Primary plant – power transformers > Primary plant – reactive plant > Primary plant – switchgear > Secondary plant – protection equipment > Secondary plant – SCADA <p>Actual defects rectified versus Planned (raw numbers and % complete) for Category 1, Category 2, Category 3, and Category 4 defects.</p>
Formal Safety Assessment – control assurance and audit programs	Raw number of issues raised, actions progressed and outstanding items.