



Independent Pricing and Regulatory Tribunal
New South Wales

Electricity networks reporting manual

Annual compliance reporting

© Independent Pricing and Regulatory Tribunal (2019)

With the exception of any:

- (a) coat of arms, logo, trade mark or other branding;
- (b) third party intellectual property; and
- (c) personal information such as photos of people,

this publication is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Australia Licence.



The licence terms are available at the Creative Commons website:
<https://creativecommons.org/licenses/by-nc-nd/3.0/au/legalcode>

IPART requires that it be attributed as creator of the licensed material in the following manner: © Independent Pricing and Regulatory Tribunal (2019).

The use of any material from this publication in a way not permitted by the above licence or otherwise allowed under the *Copyright Act 1968* (Cth) may be an infringement of copyright. Where you wish to use the material in a way that is not permitted, you must lodge a request for further authorisation with IPART.

Disclaimer

This reporting manual is published for the purpose of IPART specifying the reporting obligations of the regulated entity in the context of the relevant statutory framework. Use of this reporting manual for any other purpose is at the user's own risk, and is not endorsed by IPART.

This reporting manual does not displace any reporting obligation under any relevant licence or legislation.

ISBN 978-1-76049-353-0

The Independent Pricing and Regulatory Tribunal (IPART)

IPART provides independent regulatory decisions and advice to protect the ongoing interests of the consumers, taxpayers and citizens of NSW. IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from IPART's website: <https://www.ipart.nsw.gov.au/Home>.

Tribunal Members

The Tribunal members are:

Dr Paul Paterson, Chair

Mr Ed Willett

Ms Deborah Cope

Enquiries regarding this document should be directed to a staff member:

Darren Holder (02) 9290 8441

Peter Cole (02) 9019 1934

Amendment record

Issue	Date issued	Amendments made
ENRM first issue up to version 4	June 2016 to May 2017	See previous issues for related amendments.
ENRM – General licence conditions reporting	October 2017	Separate Reporting Manuals published for reporting requirements. Inserting Chapter 1 – The purpose and status of this reporting manual. Update Appendix B to simplify the reporting requirements and remove outdated reporting requirements.
ENRM – Annual Compliance reporting	April 2018	Inserting sign-off requirements on reports. Minor formatting improvements.
ENRM – Annual Compliance reporting	March 2019	Updated list of Tribunal members. Inserted additional text relating to annual reporting requirements for compliance with Environmental Code of Practice.
ENRM – Annual Compliance reporting	July 2019	Minor formatting improvements.



Contents

1	The purpose and status of this reporting manual	4
2	Annual compliance reporting	5
2.1	Annual Compliance Report	5
	Appendices	7
A	Annual Compliance Report – exceptions based	8
B	Licence holder reporting obligations	10

1 The purpose and status of this reporting manual

The Independent Pricing and Regulatory Tribunal (IPART) has issued this Reporting Manual and other Reporting Manuals. IPART will review and amend these Reporting Manuals from time to time.

Licence conditions for the licensed electricity network operators require that the licence holder complies with any Reporting Manuals issued by the IPART. Although no regulatory requirement to comply with a Reporting Manual exists for non-licensed electricity network operators, IPART expects that all electricity network operators will comply with the Reporting Manuals where applicable to their specific reporting obligations. Each Reporting Manual may not apply to all licence holders, and this is specified where relevant.

The reporting requirements specified in these Reporting Manuals do not replace any requirements identified in licence conditions, legislation, statutory instruments or codes that apply to electricity network operators. Compliance with Reporting Manuals is required in addition to, not in substitution for, compliance with other applicable obligations.

The information gathered through the reporting requirements outlined in this document will allow IPART to:

- ▼ Determine whether electricity network operators are consistently and effectively meeting statutory obligations.
- ▼ Identify immediate risks and long term trends.
- ▼ Identify trends that signify emerging issues across the industry with a view to developing safety measures or supporting industry safety initiatives where appropriate.

A review of the reporting requirements will be conducted periodically to accommodate any changes to statutory requirements and licence conditions.

IPART has also issued Audit Guidelines to guide network operators on how to maintain compliance with their obligations.

2 Annual compliance reporting

IPART monitors and assesses licence holders' compliance with licence conditions and other legislated obligations, and reports annually to the Minister on the extent to which the licence holders meet their licence obligations.¹

The reporting requirements outline in this document apply to Ausgrid, Endeavour Energy, Essential Energy and TransGrid (licence holders).

Licence holders are required to furnish information to IPART to enable IPART to determine whether or not the licence holders are complying with their licence conditions.

2.1 Annual Compliance Report

Each licence holder is required to submit a report on its compliance performance during the 12 months ending 30 June in that year.

This report is exception-based, meaning that only non-compliances with the licence conditions and other legislative obligations are to be reported.

2.1.1 Timing and lodgement

The annual compliance report is due to IPART no later than 31 August each year, or at an alternate date approved by IPART. Licence holders must lodge the annual compliance report by email to energy@ipart.nsw.gov.au, including contact details (phone, email) of the primary contact as well as an alternative contact for those times when the primary contact is unavailable.

2.1.2 Content of the report

In the annual compliance report, licence holders are required to report any non-compliance against obligations prescribed in the:

- ▼ *Electricity Supply Act 1995* (NSW)
- ▼ Licence holder's licence
- ▼ *NSW Code of Practice for Authorised Network Operators* (the Code).²

For each non-compliance, licence holders must include details of:

- ▼ The extent and nature of the non-compliance including whether and how many customers and/or other licence holders are affected
- ▼ The reasons for the non-compliance

¹ As required under section 88 of the *Electricity Supply Act 1995* (ES Act).

² The Code is applicable only to TransGrid, Ausgrid and Endeavour Energy.

-
- ▼ The actions taken, or proposed, to rectify the non-compliance and to prevent it reoccurring
 - ▼ The anticipated date of full compliance and the state of the remedial action as at 30 June of the reporting year.

The licence holder must include a statement of compliance to be signed by:

- ▼ The Chair of the Board of Directors of the licence holder or a duly authorised Board Member of the licence holder, and
- ▼ The CEO or equivalent (eg, Managing Director if there is no CEO). Where the CEO (or equivalent) has delegated this responsibility, IPART may request evidence of the delegation.

Appendix A provides a pro forma for the annual compliance report.



Appendices

A Annual Compliance Report pro forma

Annual Compliance Report for 20 -

Submitted by [Name of licence holder] ACN: [insert ACN]

To: The Chief Executive Officer
Independent Pricing and Regulatory Tribunal of NSW
PO Box K35
Haymarket Post Shop NSW 1240

[Name of licence holder] reports as follows:

1. This report documents compliance during [financial year] with all obligations to which [Name of licence holder] is subject by virtue of its Transmission Operator or Distribution Network Service Provider Licence.
2. This report has been prepared by [Name of licence holder] with all due care and skill in full knowledge of conditions to which it is subject and in compliance with IPART's current *Electricity Networks Reporting Manual - Annual compliance reporting*.
3. Schedule A provides information on all obligations with which [Name of licence holder] did not fully comply during [financial year].
4. Other than the information provided in Schedule A, [Name of licence holder] has complied with all conditions to which it is subject.

Signed: Signed:

Name: Name:

Designation:..... Designation:

Date: Date:

Note - Signatories must be:

- ▼ The Chair of the Board of Directors of the licence holder or a duly authorised Board Member of the licence holder, and
- ▼ The CEO or equivalent (eg, Managing Director if there is no CEO). Where the CEO (or equivalent) has delegated this responsibility, IPART may request evidence of the delegation.

Schedule A Non-Compliances^a

Legal reference ^b	Reporting period in which the breach occurred ^c	List obligations breached, including a brief description of each obligation	Describe: Nature and extent of non-compliance (including whether and how many customers and/or other licence holders have been affected) Reasons for non-compliance Remedial action taken Actual/anticipated date of full compliance

^a Licence holders should report only breaches that were identified during the reporting period.

^b Licence condition, section of the ES Act, or section of the Code with which the licence holder has failed to comply.

^c Licence holders should indicate whether the breach occurred in the first half of the financial year, the second half of the financial year, or both.

B Licence holder reporting obligations

Table 1 List of the licence holder reporting obligations

Applicable to	Licence Condition and obligation	Name of reporting requirement
All	ES Act Schedule 2, cl 6A	Environmental assessment obligations - compliance
Distributors	ES Act section 16	Retail market - network operations
Distributors	ES Act section 63D(3) and MOR (B2B) cl 6.1	Market operating rules – systems and processes
Distributors	ES Act section 63D(3) and MOR (B2B) cl 6.2	Market operating rules – provision of data
Distributors	ES Act section 63D(3) and MOR (B2B) cl 6.3	Market operating rules – data format
Distributors	ES Act, section 63Y(1)	Provision of information on underground power lines
Distributors	ES Act section 96C(a)	Approved ombudsman scheme - membership
Distributors	ES Act section 96C(b)	Approved ombudsman scheme – disputes
Distributors	ES Act Schedule 6, Part 4, cl 23(4)	Distributor – retail supplier’s licence
Distributors	ES (General) Reg cl 22(2)	Social programs for Energy Code
Ausgrid	Current licence	Refer to licence
Endeavour Energy	Current licence	Refer to licence
Essential Energy	Current licence	Refer to licence
TransGrid	Current licence	Refer to licence
TransGrid, Ausgrid, Endeavour Energy	The <i>NSW Code of Practice for Authorised Network Operators</i> , issued by the NSW Department of Planning and Environment, September 2015	Refer to the Code

ES Act – *Electricity Supply Act 1995* (NSW)

ES (General) Reg – *Electricity Supply (General) Regulations 2014* (NSW)

MOR – Market Operating Rule

