



energy safe
VICTORIA

Corporate Plan
2023 – 2026



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About the *ESV Corporate Plan 2023–24*

The Victorian Energy Safety Commission is established under the *Energy Safe Victoria Act 2005* and is known as Energy Safe Victoria (ESV). ESV is Victoria's independent safety regulator for electricity, gas and pipelines. Our role is to ensure Victorian gas and electricity industries (including the renewable sector) operate safely.

The Energy Safe Victoria Act establishes ESV's corporate plan as the key operational instrument by which we are held to account by the Minister for Energy and Resources (the Minister). By law, the plan must be submitted for approval to the Minister and Treasurer by 31 May each year.

The plan:

- includes ESV's statement of corporate intent, which specifies ESV's objectives, the nature and scope of its activities (including performance targets and measures), the applicable accounting policies, and other matters agreed between the Minister and ESV
- accounts for ESV's statutory objectives and functions for regulating the safety of gas, electricity and pipelines, the Minister's Statement of Expectations, and broader government initiatives and policy.

ESV's Annual Report provides the Victorian Parliament with information about ESV's regulatory activities, outcomes and outputs, and its financial results each financial year (in accordance with the *Financial Management Act 1994*). The annual

report is produced in accordance with the Financial Management Act.

In the *Corporate Plan 2023–26*:

- **Part one** outlines our purpose, vision and values, strategic priorities, performance measures and reporting and funding, as well as describing our strategic environment.
- **Part two** summarises:
 - our strategic priorities, our compliance and enforcement priorities including performance measures and targets.
- **Part three** describes:
 - core business plan activities supporting our strategy and regulatory and organisational functions for the next 12 months (including performance measures and targets).
- **Part four** outlines our funding for 2023–24.
- **Part five** details:
 - our financial strategy, statements, and the 2023–24 financial position and budget.

Message from the Victorian Energy Safety Commission

Energy Safe Victoria's 2023-26 Corporate Plan comes at a time of continuing change for Victoria's energy environment as the transition to clean energy and net zero emissions progresses.



The way Victorians use and generate power is very different to a decade ago. The growth in solar power, electric cars and charging stations, batteries and hydrogen technologies carries on unabated.

As Victorians embrace clean and renewable energy, Energy Safe must ensure that it educates the community on the risks associated with new sources of energy and how to operate them safely. We will provide guidance to industry on the safe commissioning, manufacturing, operation and maintenance of clean energy infrastructure, installations, equipment and appliances. The inherent dangers associated with electricity and various gases do not disappear simply by changing the source of their generation or transmission.

Energy Safe Victoria as the energy safety regulator must be ready to act to ensure the safety of people

and property. No-one should lose their life, suffer serious injuries or property damage because regulated entities are not performing their energy-related activities safely, or suppliers are selling unsafe appliances and equipment.

We don't walk past instances of non-compliance when we see them, and we are not afraid to take enforcement action where appropriate. We will recognise positive behaviour and good track records. We take a risk-based approach, and our enforcement efforts will be proportionate to potential harms and severity.

Where regulated entities fall short of standards, we will ensure they face the consequences in order to uphold the safety of the community and the environment. Communities expect us to take strong regulatory action to prevent unsafe situations arising. This includes using our enforcement tools to achieve industry compliance.

We will continue to ensure regulated entities comply with their obligations, to keep Victorian communities safe from hazards caused by electricity, gas and pipeline assets, especially bushfire.

Our strategy of being a *safety first, data driven, customer centric* regulator will ensure that we deliver on our mandate. We will deliver on our strategy by continuing to enhance our regulatory approach, evolve our culture and improve our information technology systems, having built those foundations over the last two years.

Message from the Chief Executive Officer

The challenges facing Energy Safe Victoria are unprecedented, but our strategic direction will ensure that we will keep people and property safe from energy safety risks.



In 2021 we embarked on a transformation journey in order to achieve our core strategy of a *safety first, data driven and customer centric* regulator. We are strengthening our role and our regulatory approach and targeting the greatest harms by using our statutory functions in an integrated and holistic way.

Significant inroads have been made but we have more work to do. We are a stronger and more sophisticated regulator than we were a year ago, but we have to maintain that momentum if we are going to meet the growing expectations of Victorians and address the safety challenges inherent in the transition to clean energy.

We have already reached several milestones on this journey. We have piloted a dedicated enterprise Investigations Team which is demonstrating the benefits of having a focused team of investigators resulting in enforcement action where serious breaches of the law occur.

Also, we are becoming more customer centric with the launch of a new user-friendly website platform, complemented by a new customer experience strategy and brand identity in the works. We are investing in updated digital tools and platforms for centralised data and processes while standardisation and streamlining will allow our people to spend more time on high-value regulatory activities.

We have launched a new operating model, One ESV 2025, that when fully implemented, will establish clear accountabilities, systems to support our work, clear processes, governance and a structure that enables us to get our work done efficiently and effectively.

One ESV 2025 incorporates our vision, purpose, values and customer promises. It also represents how we work in a consistent and cohesive way. This is a model that supports our future as a modern safety regulator and ensures that we will continue to add value to the community by reducing energy risks and harms.

In 2023, after consulting with our people on the proposed changes, we introduced the first wave of the One ESV structure. We introduced 4 new divisions:

- **Finance, Strategy and Risk** works to identify energy safety risks, establish strategies to mitigate and minimise those risks and plan how to fund our priorities, all of which direct our work.
- **Legal, Governance and Regulatory Policy** supports the organisation to regulate effectively,

develops our regulatory policy to support the implementation of our strategies, conducts investigations and manages prosecutions of significant breaches our legislation. It also supports our Commission and advisory committees.

- **Customer and People Experience** will establish a single front door for our customers, strengthen our stakeholder engagement capability, and place an increased focus on guidance and industry education. It will also ensure our safety messages reach intended audiences. It will ensure our own people have a good experience at work as we know that a good employee experience ensures a good customer experience.
- **Regulatory Operations** incorporates our gas and electricity divisions and will be fully established later in 2023 after a further wave of change and consultation with our people to achieve One ESV 2025. This division will regulate the traditional electricity and gas industries, the clean energy industry and will also be set up to ensure we can effectively respond to future energy sources, which don't fall into our historic view of energy being either gas or electricity.

Achieving One ESV 2025 can't happen all at once. We will take a considered and planned approach to making changes to how to work over the next 18 months.

This corporate plan details how that will happen while remaining fiscally responsible, maintaining

our expected service levels, ensuring our people are fully utilised but not stretched to the limit and ensuring responsible budget practices.

It sets out Energy Safe's strategic priorities to ensure that we are focused on the highest energy safety risks and keeping the community energy safe, our financial direction and our business plan for the coming year. It also outlines key elements of our transformation program, and the benefits that will be delivered.

I commend this corporate plan to you.

Part one: ESV and energy safety

Our statutory responsibilities

We have a statutory responsibility to achieve the objectives (described below) and functions defined by the Energy Safe Victoria Act, *Electricity Safety Act 1998*, *Gas Safety Act 1997*, and *Pipelines Act 2005*.

We do this by ensuring the:

- safe operation of energy installations
- mitigation of bushfire ignition risks due to energy supply and use
- safety of energy infrastructure and pipelines during their construction, operation, and decommissioning
- undertaking of gas and electrical work by competent licensed and registered individuals and businesses following prescribed safety standards
- prevention of loss or damage to structures from electrical currents
- electrical equipment and gas appliances supplied or purchased in Victoria are safe to operate
- community and industry are aware of their electricity and gas safety obligations.

Our purpose

We keep Victorians energy safe and ensure energy is used confidently.

Energy and the technology that harnesses it are essential to our quality of life. However, these technologies can be complex and powerful, and the potential for harm is significant to our customers and the environment.

Through education, regulation and enforcement we work to ensure that energy safety, supply and efficiency are a priority in Victoria and something our customers can be confident in.

Our vision

We're powering towards a safer energy future that is sustainable for all Victorians and our climate.

We need energy safety systems that are sustainable into the future so Victorians can continue to use energy for many generations.

We also need energy systems to be modern and reliable, so our families, towns, cities and lands are kept safe.

We aim to create a future where Victorians and the environment they live and work in can flourish because of the safe, reliable delivery of sustainable energy.

Our values

We expect our people to express our values in the day-to-day actions, decisions and interactions with others.

Integrity

We act with impartiality, and uphold the importance of unbiased, equitable treatment. We do this in a

way that is transparent, accountable, open, and trustworthy.

Engagement

We actively engage with our customers and each other to achieve safer outcomes. We believe in cooperation, listening and succeeding together to improve safety outcomes.

Adaptability

We are flexible and maintain effectiveness in the face of changing environments. We know that improving energy safety for Victoria means being on the forefront of change.

Respect

We treat everyone with respect and uphold the importance of diversity, experience and skills. We care about the safety of Victorians and demonstrate respect through our actions.

Excellence

We aspire to the best standards of practice by ensuring an evidence-based approach to our work. We strive to excel in our capability to deliver safety outcomes.

Our progress and reporting

Our progress against delivery, performance measures and the outcomes achieved will be detailed through:

- routine reporting provided to the Minister and the Department of Energy, Environment and Climate Action (DEECA)

- ESV's Annual Report, tabled in Parliament and published annually on our website
- industry safety performance reports and other safety and technical reports published on our website
- compliance and enforcement guidance, and safety and technical guidance for industry published on our website.

Funding delivery

Our activities are fully funded through a combination of fee-for-service income, licence fees, and levies on the electricity, gas, and pipeline industries.

We have budgeted revenue of \$71.4 million for 2023-24, comprising \$45.8 million in levies, \$22.9 million in fees and \$2.7 million in grants and other revenue.

Total operating expenditure for 2023-24 is budgeted at \$79.6 million while capital expenditure is projected to be \$1.3 million.

The projected deficit of \$8.2 million will be funded out of existing cash reserves as we do not foresee a requirement for debt financing in the short term.

Strategic operating environment

Globally and nationally energy systems are transitioning to accommodate clean and renewable energies, such as wind, solar, hydropower and renewable gases such as hydrogen and biomethane.

In May 2023 the Victorian Government announced updated renewable energy targets of 95 per cent

by 2035, a renewable energy storage target of 6.3GW by 2035 and an offshore wind target of 4GW by 2035, all of which contribute to greenhouse gas emission reductions.

The incentives in renewable energy will result in more households, communities and businesses investing in solar, energy storage (batteries and hydrogen fuel cell technologies) and zero emission vehicles.

As the energy system transitions and becomes more complex with energy increasingly generated from renewable and disaggregated sources, the risk profile of energy safety is also changing for the energy industry participants, community and individual householders.

We have a critical role to ensure the safe design, construction, commissioning, operation, maintenance and decommissioning of energy infrastructure and installations, both pre-existing and new.

The changing energy landscape has seen a substantial expansion in the scope, volume and complexity of our work. As the energy sector expands and new participants enter the market the scope of our regulatory remit continues to grow.

To date we have been supporting the clean energy projects planned to reach the 2030 Victorian Renewable Energy Targets within the limits of our existing resources.

The Minister determines levies sufficient to meet ESV's reasonable costs to regulate the increasing remit and responsibilities of ESV for the pre-existing and new clean energy projects. This

means we will have the processes, systems and governance as well as people in place to support the safe transition of the energy system.

Energy Legislation Amendment (Energy Safety) Bill 2023

The Hon Lily D'Ambrosio (the Minister) introduced the Energy Legislation (Energy Safety) Bill in the second-reading speech in May 2023. The Minister noted the importance of safety frameworks for delivery of energy.

The Bill proposes amendments to the Electricity Safety Act, the Gas Safety Act and the Pipelines Act and will strengthen the energy safety compliance framework recognising that the changes in the energy market structure and participants have exposed gaps and weaknesses in the current energy safety legislative framework.

We will work with DEECA to prepare for, and adopt the amendments as they come in to force, to ensure the ongoing safety of the community.

Statement of Expectations (SOE)

We will work with DEECA to ensure ESV's business plan is updated to reflect the Minister's expectations for the new SOE following expiry of the current SOE (June 2023).

Part two: Strategic priorities and measures

We are continuing to deliver our strategy of being a *safety first, data driven and customer centric* regulator.

Safety first means we take action to ensure public safety by preventing an unsafe situation from happening and requiring an unsafe situation to be made safe.

We hold industry to account for their actions, and educate communities on safety risks, including new technologies. We will take enforcement action to deter unsafe, non-compliant behaviour.

Data-driven means we have the right data to focus our regulatory activities on where it matters, to protect lives and improve safety outcomes.

Data informed decision making is essential for a safety regulator with limited resources and funding.

Customer centric means that we will put our customers at the centre of everything we do. By customer we mean anyone who directly interacts with us.

Our stakeholders include our customers and other people who are affected by us even if they do not interact with us. Our annual stakeholder insights survey in 2022 has shown that our customers, including electrical workers, gasfitters, energy distributors and local councils with energy safety obligations, are confident that we keep our communities safe, but said they need more

support from us to help them comply with safety requirements.

We will create a positive and consistent customer service experience, making it easier for our customers to interact with us, through our new customer hub.

We are maintaining our four strategic priorities from last financial year; these will help us achieve our *safety first, data driven and customer centric* strategy. The strategic priorities, intended outcomes and performance measures are described in Table 1.

Our Transformation Program

Our transformation program is the enabler to achieve our strategy and strategic priorities through delivery of individual projects where we continue our focus on implementing centralised and consistent processes. These will ensure increased effectiveness and efficiency facilitated by updated digital tools. The key transformation projects identified for the coming year are detailed further under the relevant strategic priority.

These projects will change how we conduct the core activities described in the business plan. Careful planning, scheduling, resource allocation clear deliverables and change management will enable us to maintain our focus on our core responsibilities while we execute our strategy through transformation.

Strategic priority 1: We strengthen and adapt our compliance and enforcement approach to energy generation, transmission, distribution, and use, including emerging energy solutions and technologies.

This priority underpins the safety first and data driven elements of our strategy.

The transformation projects we are implementing this financial year will include:

- We are building an enterprise wide **investigations function** to investigate significant incidents and non-compliance and maximise opportunities to take enforcement action, including prosecution, where that is the proportionate response. Taking action to hold regulated entities to account is an important deterrent.
- We are strengthening our **safety case and electricity safety management scheme acceptance capability**. Businesses demonstrate that their facilities, operations or systems are safe, and that appropriate controls are in place to mitigate safety risks through these systems. This project will facilitate ESV to lift the safety bar for these systems.
- We are designing a consistent **infringement process** with the right tools and systems. Although infringements are issued under different Acts and for different types of offences, the key principles remain the same.
- Our new **data hub** will integrate data from internal and external sources and be a single

and secure source of truth. Having a central repository will help us to:

- use data to develop intelligence to inform our regulatory decisions
- better analyse incidents to take right action
- risk rate different appliances and equipment, assets, networks, and industry sectors
- pro-actively identify and address safety issues before an incident occurs.

We are lifting capability and capacity for renewable and clean energy for the next 12-18 months. Work activities are included across this strategic priority, the compliance and enforcement priorities and the business plan:

- lifting regulatory intelligence function capability for scanning and data analysis and use
- raise the safety performance of industry by supporting industry to be aware of the safety risks to comply with their obligations under energy legislation
- raising community awareness of the safety requirements of these new clean energy technologies, such as solar PV and as lithium-ion battery powered equipment.

Strategic priority 2: We listen to our stakeholders to inform our regulatory approach.

It is important for us to understand how our stakeholders see us, so we can improve. Examples of our stakeholders include customers

(such as the electrical workers, gasfitters, electricity and gas transmission and distribution businesses), local government, industry and employer and employee representative bodies, government entities and members of the broader community. We assess our performance through independent stakeholder insights research, building on baseline data previously collected.

Our stakeholders said they look to us to be a strong and effective regulator; to keep them safe. Their feedback was that they want more support from us, to comply with their obligations.

We will invest more time listening to and talking with the community, customers and other stakeholders to help understand and meet their needs.

The following projects during 2023-24 will support delivery of this strategic priority, and elements of being data driven and customer centric:

- We will update our **stakeholder engagement framework, strategy and plan** to facilitate more strategic and structured engagement opportunities with stakeholders.
- We will centralise and prioritise **key industry guidance and education processes**, including relevant stakeholder engagement to ensure guidance meets needs.
- We will **provide clarity** to our customers on energy safety and our expectations through guidance and education.
- Our guidance material and education campaigns will have **the same look and feel**

and it will be easier for our customers to understand how to comply.

Strategic priority 3: We make it easier for our customers to interact with us.

We know we need to lift our customer experience to support and improve safety understanding and compliance.

We have listened to our stakeholders, including customers – and they will see a step change in the way we interact with them as we implement our transformation program.

Developing our *'one front door'* started with the launch of our new website, which makes it easier for our customers to find information.

This year the following projects support our customer centric element of the strategy and this strategic priority:

- We are developing a **customer engagement platform**. We will be incorporating our safety concerns and incident reporting processes into our new customer engagement platform, resulting in quicker turnaround times and more consistent service delivery.
- This platform will be a **single source of truth** for customer data. It will allow us to serve our customers better as our staff will have access to relevant information.
- We will establish a **customer hub** that will enable our customers to have a consistent experience regardless of whether they have a technical query, want to apply for a licence or report a safety concern.

- We will improve the timeliness, consistency and accessibility of services to our customers.

Strategic priority 4: We support our people to deliver public value.

We are on our way to implementing our One ESV 2025 operating model, building a supportive and inclusive culture. Engaged, committed and capable employees are essential for us to deliver public value.

At the same time, we are becoming more agile and adaptable, able to pull together multi-disciplinary teams to better understand complex problems that have an adverse impact on safety.

ESV participates in the annual People Matter Survey run across government entities by the Victorian Public Sector Commission. This allows us to benchmark our performance over time, and also with other agencies.

We have a number of significant projects allowing us to provide greater value to the community as the energy safety regulator:

- Through implementing our new **operating model**, including new policies, tools and processes, this will help our people to achieve increased regulatory and safety outcomes for Victorians.
- ESV is on a journey to become **One ESV 2025** which places greater emphasis on collaborating across multi-disciplinary teams, and delivery of better safety outcomes.
- We recognise that our work environment can positively impact our people's productivity and

sense of wellbeing. This, in turn, helps us attract and retain the best people to keep Victoria safe as the energy regulator.

We will develop a new **workplace strategy** for 2023-24 supporting collaboration across teams and based on a hybrid model (working from the office and working from home).

- We will implement an updated **brand identity** that will enable us to clearly articulate who we are, and communicate in clear and consistent tone and style.
- We are **investing in new digital systems**, processes and technologies to make One ESV 2025 a reality. We're introducing digital tools and platforms that are designed to standardise and streamline practices and how we gather, store and access information.
- We will streamline our **audits and inspections** processes and systems so our people can work more efficiently and effectively. Field data will be recorded centrally and provide valuable insights.

Performance measures

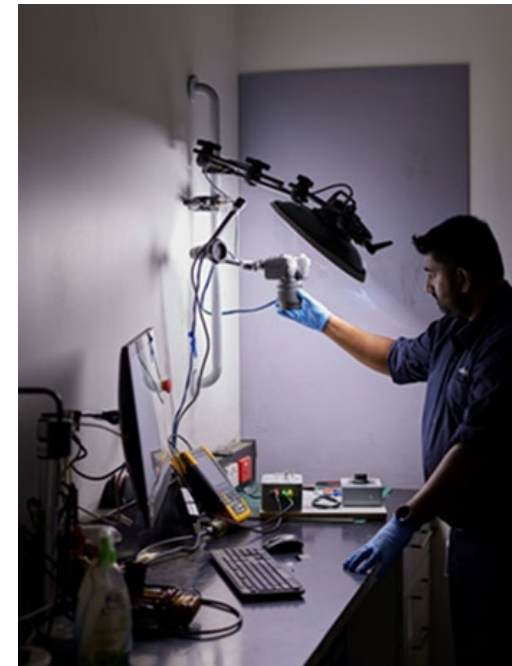
We use a range of different performance measures across the strategic priorities, our compliance and enforcement priorities and the business plan that includes our core activities.

Headline measures

Each strategic priority is accompanied by key performance indicators (KPIs). See Table 1.

We assess safety performance through the community safety outcome measures (fatalities, serious injuries and fires). We have a zero harm policy. No-one should lose their life because of energy safety risks.

We expect the current incident numbers to be further reduced or maintained where intervention by industry, community and the regulator has an impact.



Our headline performance measures

We monitor our headline performance measures and the key indicators over time for trends and changes to ensure the effectiveness of our organisation in delivering our purpose and strategy and to improve safety outcomes. These are publicly reported in the Annual Report.

Table 1: Headline performance measures 2023–24

Strategic priority	Outcomes	Targets and measures
We strengthen and adapt our compliance and enforcement approach to energy generation, transmission, distribution, and use, including emerging energy solutions and technologies	<p>We have a zero tolerance for fatalities and serious injuries. We focus our regulatory effort on areas of greatest risk, including through our compliance and enforcement priorities.</p> <p>This is supported through our compliance and enforcement priorities and our core business activities, and by our projects within the Transformation Program.</p> <p>By strengthening our compliance and enforcement approach we improve compliance, and thereby safety outcomes.</p>	<p>Community safety outcomes:</p> <ul style="list-style-type: none"> – Maintain fatality and serious injury targets of zero for community safety – Maintain the number of ground fire incidents below seasonally adjusted predictions based on weather conditions – Monitor and report enforcement actions
We listen to our stakeholders to inform our regulatory approach.	<p>We invest time listening to, and talking with, our stakeholders including the community and customers to hear about, and minimise harms.</p> <p>Our stakeholders and communities look to us as a strong regulator. We keep them safe. Their feedback was that they want more support from us, to comply. This is where we provide guidance and education in support.</p> <p>We assess our performance through an independent stakeholder insights survey building on baseline data previously collected.</p>	<p>Increase industry safety and compliance outcomes:</p> <ul style="list-style-type: none"> – Increase target for overall effectiveness as a regulator from 75.5% to 76.0% for independent stakeholder insights survey – Determine target for community perceptions based on 2022 survey baseline of independent stakeholder insights survey

Strategic priority	Outcomes	Targets and measures
We make it easier for our customers to interact with us.	<p>We know we need to lift our customer experience to support and improve safety understanding and compliance. Developing our 'one front door' started with the launch of our new website, and will continue as the operating model is progressively implemented, including our new customer engagement platform.</p> <p>These changes will make it easier for our customers to interact with us.</p>	<ul style="list-style-type: none"> - Maintain target for customer experience of 76.9% for independent stakeholder insights survey
We support our people to deliver public value.	<p>Engaged, committed and capable employees are essential for us to be able to deliver public value through their customer interactions and implementing our strategies and business plan.</p> <p>ESV participates in the annual People Matter Survey (PMS) run across government entities by the Victorian Public Sector Commission. This allows us to benchmark our performance with other agencies.</p> <p>Prudent and effective use of monies is essential to enable us to deliver public value to the community.</p>	<p>Maintain financial viability outcomes:</p> <ul style="list-style-type: none"> • Year- end cash balance (Target > \$5 million) • Year-end net equity balance (Target > \$7 million) • Full-year net surplus/(deficit) (Target > \$1 million) • Monitor current ratio > 1.0 <p>ESV people supported and engaged:</p> <ul style="list-style-type: none"> • Target zero serious injuries, illnesses or fatalities of ESV employees • Target 81% employee participation in PMS • Target 75% employee engagement in PMS



Our compliance and enforcement priorities 2023-24

Our compliance and enforcement priorities are focused on areas of high risk. The compliance and enforcement priorities signal to stakeholders, including customers, areas of specific compliance and enforcement focus by the regulator to ensure energy safety. We include these in this plan and will publish the priorities separately on our website.

We consult with our advisory committees about the proposed priorities for the coming financial year as part of the annual review to determine where focus should be. This year, we are introducing the concept of enduring priorities in addition to our annual priorities. Both are important. The annual priorities are shorter lived; when safety outcomes

improve, we can focus our compliance and enforcement effort elsewhere (and will continue to monitor compliance).

We monitor and report on these priorities on a quarterly basis to the Commission.

Table 2: Annual priorities 2023–24

Our **annual** priorities are informed by trends in incident data, compliance data from our inspections and audits as well as scanning and analysing the changes in the energy landscape and technologies. We chose our annual priorities based on risk of harms. Table 2 details our annual priorities, including targets and measures.

Initiative	Outcomes	Measures	Targets
Vegetation clearance around powerlines	Vegetation contact with powerlines can cause electrocution, fires and bushfires, and impact the reliability of electricity supply. These risks must be managed by major electricity companies (MECs), local councils (LCs) and other responsible persons (ORP). Ensuring vegetation clearance around powerlines is maintained reduces risk of contact and the potential consequences. Through our audits and inspections, we require action to rectify observed non-compliances and will also take proportionate enforcement action.	Complete inspection of hazardous bushfire risk area (HBRA) spans	6,000 inspections
		Complete inspection of low bushfire risk area (LBRA) spans	6,000 inspections
		% Reduction of non-compliant vegetation identified on electric line span inspections	10% of 2202 -23 baseline
		% Reduction of safety critical non-compliant vegetation identified on electric line span inspections	10% of 2022 -23 baseline
		Review and approve electric line clearance management plans for MECs, LCs and ORP	10 MECs, 10 LCs and 4 ORP
		Complete audits on MECs, LCs and ORP	5 MECs, 10 LCs, and 4 ORP
		Monitor number of warning letters issued	-
Monitor number of s86 issued to clear trees/ vegetation	-		

Initiative	Outcomes	Measures	Targets
		Monitor number of infringement notices – clause 3(1) of the Code	-
Renewable energy	<p>Lack of awareness of the hazards and legislative obligations for renewable energy technologies by developers/owners/operators may lead to increased risk of harm to communities and workers.</p> <p>In addition, a workforce that is insufficiently trained in installation, commissioning and operational practices for renewable energy systems may lead to unsafe work practices and poor-quality workmanship.</p> <p>Through audits and inspections we require safety issues and non-compliances to be rectified to prevent reoccurrence and ensure safety.</p>	<p>Number of wind farm audits</p> <p>Number of commercial solar installation audits</p> <p>Number of other utility scale facility audits</p> <p>Monitor major non-compliances from audits of commercial solar installations, wind farms and other utility scale facilities</p>	<p>3 audits</p> <p>3 audits</p> <p>6 audits</p> <p>-</p>
Hydrogen technologies (including biomethane)	<p>Hydrogen technologies are processes that use or produce hydrogen. Hydrogen is increasingly being used as a fuel for fuel cells to generate electricity with no greenhouse gas emissions.</p> <p>Hydrogen is a flammable gas that requires high storage pressure and is easily ignited. Biomethane is biogas that is processed so that it can be used with existing infrastructure and is carbon neutral.</p> <p>ESV will support and monitor industry compliance with relevant standards and will also play an essential role in the development of standards for hydrogen blended natural gas, 100% hydrogen and biomethane. Application of these standards facilitates compliance and energy safety.</p>	<p>Hydrogen or hydrogen blending incident</p> <p>Hydrogen or hydrogen blending fatalities</p> <p>Hydrogen or hydrogen blending serious injuries</p> <p>Monitor number of hydrogen applications accepted (appliance acceptance/complex gas installation acceptance)</p>	<p>0 incidents</p> <p>0 fatalities</p> <p>0 serious injuries</p> <p>-</p>

Initiative	Outcomes	Measures	Targets
Utility scale and residential batteries	<p>Utility scale and residential batteries can cause fires including bushfires and house fires. They can also impact power supply reliability due to the increasing reliance on these energy storage facilities. ESV has requested a recall of residential batteries that were involved in a number of house fires in Victoria.</p> <p>We will prioritise focus on utility scale and residential batteries until hazards and safety issues around these technologies are well understood and industry demonstrates safety risks are minimised, thereby reducing risks of serious incidents.</p>	<p>Number of utility scale battery storage facility audits</p> <p>Monitor number of major non-compliances identified from small battery storage solar installations inspections</p>	<p>2 audits</p> <p>-</p> <p>12 inspections</p>
Lithium-ion battery equipment	<p>Lithium-ion battery equipment, such as e-scooters, is a priority for ESV and other regulators. Lithium battery-operated equipment can overheat and catch fire when being incorrectly charged or used, and when faulty. Exploding e-scooter lithium-ion batteries caused a fatality in Queensland in 2022, and an increasing number of serious injuries and property damage in Victoria, over the past two years.</p> <p>Raising awareness regarding the requirements for safe use of compliant equipment will support industry participants and consumers to better manage and reduce the risks related to these types of equipment, leading to reduced incidents in time.</p>	<p>Monitor number of targeted desktop audits of lithium battery products conducted</p> <p>Monitor number of safety concerns identified</p> <p>Monitor % of safety concerns rectified</p> <p>Monitor number of fires reported to ESV related to high capacity lithium battery product failures.</p> <p>Number of targeted activities within an awareness campaign that educates consumers, importers and manufacturers about purchasing, supplying and use of compliant lithium battery equipment</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>5 activities</p>
No Go Zone safety	When mechanical plant and equipment such as mobile cranes, tipping trucks, concrete pumping	Monitor Number of powerline contact and encroachment incidents (<200 incidents historically reported)	-

Initiative	Outcomes	Measures	Targets
	machines, scaffolding and elevated work platforms are being operated near overhead powerlines there is a high-risk of contact with powerlines that may result in fatalities or serious injuries.	Number of fatalities from powerline contact	0 fatalities
		Number of serious injuries from powerline contact	0 serious injuries
		Monitor number of warning letters issued for powerline contact or encroachment	-
	Our focus and compliance and enforcement actions for industry participants will reduce the number of incidents.	Monitor number of infringement notices issued for powerline contact or encroachment	-

Table 3: Enduring priorities 2023–24

The **enduring** compliance and enforcement priorities require a longer term regulatory focus and tend to reflect ongoing safety issues due to scale, complexity, or nature of the regulated entities or endeavours. These priorities are described in Table 3 below.

Initiative	Outcomes	Measures	Targets
Infrastructure management	Powerlines can lead to catastrophic bushfires on days of high winds or hot weather. Pipeline asset failure can lead to loss of containment, and together with an ignition source, can lead to catastrophic events such as explosions.	Ground fires arising from asset failures	Monitoring the rolling five year average for trend
		Audits of major electricity companies (MEC) compliance with BMP	9 audits
	The management of infrastructure, such as powerlines and associated electrical assets, pipeline and gas distribution assets as well as gas and electrical complex installations is an enduring priority.	Audits of specified operator (SO) compliance with BMP	2 audits
		Monitor number of major non-compliance from audits of MEC and SO	
	Our ongoing monitoring through inspections and audits to require compliance with plans and obligations ensures the operators and owners of infrastructure management are ensuring safety.	Inspections of network assets	5,000 inspections
		% of priority defects per structure inspected	Less than 2022-23 baseline
	% of known works of gas company pipelines new installations, replacements, and repair works inspected	5% inspected	
			-

Initiative	Outcomes	Measures	Targets
		<p>Monitor number of non-compliances from pipeline inspections</p> <p>Number of acknowledgements and actions from Gas company for non-compliance to SLA</p>	<p>Within 15 business days of receipt of report</p>
Pipeline strikes and encroachment	<p>Third-party asset strikes are the most common cause of pipeline and gas damage and loss of containment, which can lead to serious incidents, such as explosions. These include strikes on gas distribution mains (in front of meter), strikes on gas distribution services (behind meter), and encroachment on transmission pipelines.</p> <p>We will maintain licensee attention on the importance of preventing strikes, and we will take proportionate enforcement action as deterrence for breaches of requirements. The continued attention will reduce the number of asset strikes, and thereby further reduce the likelihood of incidents.</p>	<p>Gas main strikes on gas mains by third parties</p> <p>Gas service strikes on gas services by third parties</p> <p>Pipeline encroachment on licensed pipelines</p>	<p>5% reduction to 2022–23 baseline</p> <p>5% reduction to 2022–23 baseline</p> <p>5% reduction to 2022–23 baseline</p>
Equipment and appliance safety	<p>We continue focus on auditing online retailers due increased online sales to ensure non-compliant equipment and appliances are removed from sale.</p> <p>We also focus on ongoing changes in design and manufacturing and maintenance required for equipment and appliances to maintain high safety.</p> <p>These actions will ensure the safety of equipment and appliances is maintained</p>	<p>Monitor number of electrical appliance online site audits conducted</p> <p>Monitor number of non-compliant electrical appliances identified</p> <p>Monitor number withdrawn from supply</p> <p>Number of gas appliance online point of sale audits</p> <p>Monitor number of uncertified gas appliances identified</p> <p>Audit all certifying bodies (in accordance with JAS-ANZ audit schedule)</p>	<p>-</p> <p>-</p> <p>-</p> <p>200 audits</p> <p>-</p> <p>5 audits</p>

Part three: Business plan activities supporting energy safety

The business plan describes the key regulatory and enabling organisational functions, the value of the function and key measures including targets, outputs or activity reports across Energy Safe. Activities, targets and performance measures are reviewed annually during planning and may be amended reflecting the changes in our operating environment, priorities and consequential allocation of resources. Progress of the business plan is monitored monthly.

Note: Activities described in Part two (strategic priorities and the compliance and enforcement priorities in Tables 1-3) are not replicated below in Table 4.

Table 4: Business Plan Activities 2023–24 and targets

Activity	Outcome	Targets / outputs (performance measures)
Key permission functions – acceptance/approvals – electricity/gas and pipeline infrastructure		
Assess submitted bushfire mitigation plans (BMP) from MECs and specified operators (annual submission) for acceptance.	Accepted BMPs address key risks and explain how specified operators and major electricity companies (MECs) fulfil their duties to minimise bushfire risks.	<ul style="list-style-type: none"> 22 specified operator BMPs accepted by 1 November each year.
Assess submitted (mandatory and voluntary) electricity safety management schemes (ESMS) for acceptance.	Accepted ESMS address key risks and explain how the specific organisation fulfils its duties to minimise risks associated with networks, installation, and/or operations.	<ul style="list-style-type: none"> Assess 9 VESMS for acceptance
Assess submitted gas safety cases (SC) and safety management plans (SMP) for acceptance.	The accepted SC and SMP address key risks and explain how the specific organisation fulfils its duties to minimise risks arising from its facilities.	<ul style="list-style-type: none"> Assess 5 SC / SMP for acceptance
Register cathodic protection (CP) systems.	All CP systems are registered and their conditions of operation on how to avoid interference to nearby metallic structures are clearly understood.	<ul style="list-style-type: none"> Issue 100% of certificates of registration within 5 days of approval by ESV
Key permission functions – licence/accept/register – gas and electrical appliances and installations, and electrical workers		
Conduct inspections on complex gas installations to ensure compliance to industry standards.	Increased compliance rates from gas installation application acceptance reduces safety risks to the community.	<ul style="list-style-type: none"> 85% of complex installations accepted (that is compliant) on initial inspection
Process applications and issue licences for electrical contractors, inspectors, lineworkers and electricians.	Licensed industry participants keep the community safe by being able to undertake electrical work safely.	Process new and renewed applications within 10 days of receipt of all relevant information for: <ul style="list-style-type: none"> registered electrical contractors (1,100 new/ 1,600 renewals)

Activity	Outcome	Targets / outputs (performance measures)
Regulatory Monitoring – auditing and inspecting for gas, electricity and pipeline infrastructure safety		
Audit accepted electricity safety management schemes (ESMS)/voluntary ESMS.	Provide assurance ESMS are implemented and risks are managed by the regulated entities, such as MECs.	<ul style="list-style-type: none"> licensed electrical inspectors (12 new / 33 renewals) licensed electricians (2,500 new / 6,400 renewals) licensed lineworkers (70 new)
Audit gas safety cases (SC) and pipeline safety management plans (SMP).	Provides assurance for gas SC and SMP are implemented and risks are managed by regulated entities, such as gas companies and pipeline licensees.	<ul style="list-style-type: none"> 12 audits of MEC ESMS Publish an Annual Electrical Infrastructure Safety Performance Report about industry performance informed by audits and inspections, incidents, and data analysis Audit 12 voluntary ESMS Perform 45 SC/SMP audits for acceptance and compliance
Inspect gas company pipelines including new installations, replacements, and repair works	Provides assurance that work complies with safety standards and workers are competent for the tasks being undertaken.	<ul style="list-style-type: none"> Inspect 5% of known works
Monitor electrolysis mitigation systems to: <ul style="list-style-type: none"> assess adequacy of stray current minimisation measures identify repair requirements Coordinate area testing. 	Rail operators minimise stray current from operations to protect metallic structures, such as pipelines, from corrosion.	Conduct: <ul style="list-style-type: none"> 900 drainage bond inspections (each inspected 10 times/year) 92 (all) thyristor drainage unit inspections (each inspected 10 times) 30 substation area tests
Audit registered cathodic protection (CP) systems	CP systems operate safely without affecting the integrity of nearby underground and underwater metallic structures.	<ul style="list-style-type: none"> Audit 240 high risk registered cathodic protection systems (≥ 2 amperes) for compliance with duties and registration conditions
Solar Victoria audit response.	Maintaining the current low level of unsafe findings from solar installation site inspections provides improved community safety outcomes.	<ul style="list-style-type: none"> Investigate 100% of Solar Victoria's notifications of identified installers that have created an unsafe solar installation

Activity	Outcome	Targets / outputs (performance measures)
ESV solar installation inspections (residential and utility scale).	Continue conducting solar installation site inspections to ensure owners, operators and electricians are meeting their legislative obligations and carrying out electrical work safely	<ul style="list-style-type: none"> • 250 solar installation site inspections • 5% reduction in non-compliances identified from the total number of solar installation inspections performed (compared to 2022–23 baseline of 4). • Publish four guidance materials on solar installations (including DC isolators) and air conditioners based on ESV site inspection findings.
Investigate unsafe split-system air conditioning installations.	Maintaining the current low level of unsafe findings from Solar Victoria audits provides improved community safety outcomes. To ensure electricians are meeting their legislative obligations and are carrying out electrical work safely.	<ul style="list-style-type: none"> • Investigate 100% of Solar Victoria's notifications of identified installers that have created an unsafe air-conditioning system
Monitor the new regulatory framework for high risk gas equipment subject to Safety Critical Testing	High risk gas equipment includes equipment where surveillance testing is required to ensure ongoing safe operation over time.	<ul style="list-style-type: none"> • Desktop audit of safety critical testing for 5 certification files of high-risk equipment by 30 June 2024
Monitor the transition of LPG cylinder valves (Type 27 valve) for leisure cylinders to LCC27	Reduced number of incidents and injuries resulting from failed LPG cylinder connections by ensuring appliances have been updated to the Type 27 appliance connection.	<ul style="list-style-type: none"> • 30 audits of appliances that require the LCC27 appliance connection.
Audit high energy electrical installations.	Improved high energy electrical installation safety management, and increased awareness of owner/operator responsibilities	<ul style="list-style-type: none"> • Conduct 4 audits for compliance with Division 2 of the Electricity Safety Act 1998. • Produce and issue audit reports within 28 days of site attendance.
Education and supporting compliance		
Run public awareness campaigns:	Build community awareness and promote behaviour change in relation to energy safety.	Evaluate campaign effectiveness through <ul style="list-style-type: none"> • >= 60% of unprompted recall of advertising
Engage with the community through partnerships with community organisations in metropolitan, regional and rural Victoria.	Industry and community are more aware of key safety issues, and increased brand awareness.	<ul style="list-style-type: none"> • > = 4.5 outreach activities delivered each month. • 7 sponsorship and partnership activities conducted

Activity	Outcome	Targets / outputs (performance measures)
Educate gas and electrical industry via e-news (an alternative to Energy Safe Magazine)	Industry participants informed and aware of current safety requirements and concerns.	Minimum of 4 e-news published that include: <ul style="list-style-type: none"> • Electrical safety non-compliances and COES audit findings • Common gas safety non-compliance issues for appliance and installations
Educate electrical industry participants via training events and industry forums.	Industry participants are aware of current requirements and safety concerns	<ul style="list-style-type: none"> • Electricity installation training sessions • Industry forums
Educate gas industry participants via training events and industry forums.	New entry gasfitters (apprentices) are aware of ESV gas safety regime	<ul style="list-style-type: none"> • Attend minimum of 7 RTO/TAFE once a year and present to gasfitting apprentices • Attend and present at the annual Plumbing RTO conference • Conduct 6 webinars on AS/NZS5601 for industry on gas installation requirements and Type A appliance safety
Incident response and investigations		
Respond to energy safety incidents and reports of safety concerns by undertaking investigations and enquiries.	Establish root causes from incident investigations to inform regulatory strategies and activities to prevent recurrence and take enforcement action for identified breaches of legislation for deterrence	<ul style="list-style-type: none"> • Respond to all vegetation related safety incidents within 30 days of notification • Complete investigation of all vegetation related safety incidents within 60 days of notification
Investigate reports of corrosion on underground and underwater metallic structures	Determine whether stray current is the cause and recommend mitigation action to ensure safety and take enforcement action for identified breaches of legislation for deterrence.	<ul style="list-style-type: none"> • Commence investigation within one month of notification
Key enabling functions		
Corporate functions in addition to general services required by ESV as an agency (that is IT, HR and People Experience, Finance, Strategy, Data and business improvement and Strategic Communications)		<ul style="list-style-type: none"> • Business targets and measures included in divisional plans

Activity	Outcome	Targets / outputs (performance measures)
<ul style="list-style-type: none"> • Provide leadership and portfolio management and support for ESV's Transformation Program • Support Minister in making levy determination 	<p>Transformation will enable us to deliver the strategy, identified strategic priorities and respond to the changing energy landscape ensuring ongoing community energy safety.</p> <p>ESV has sustainable financial future attributing costs equitably across industry participants</p>	<ul style="list-style-type: none"> • Monitoring progress of the accepted business case / Roadmap for transformation – deliverables, scope and budget. • Monthly reporting to our Commission • Provide timely reports and analysis to Minister to support levy determination
<p>Legal services in addition to general legal services required by ESV as an agency (that is corporate legal)</p> <ul style="list-style-type: none"> • Support DEECA and provide safety technical input to legislative reviews • Develop legislative change framework including identifying improvements to current Acts and Regulations • Coordinate and manage memoranda of understanding (MOUs) • Provide secretariat services to the Commission and statutory Advisory Committees 	<p>Stronger governance of corporate and regulatory functions</p> <p>Ensures the energy safety legislative framework is fit-for-purpose</p> <p>Documented relationships between ESV and other agencies</p>	<ul style="list-style-type: none"> • Timely advice and input provided to DEECA • Published MOUs

Part four: Our funding

Funding for 2023–26

Since our formation in 2005, our activities have been fully funded by a combination of fee-for-service income, licence fees, and levies on the electricity, gas and pipeline industries. More recently we have been called on to provide services relating to the growing and diverse renewables sector.

Safety regulation costs are ultimately included in the prices paid by consumers of electricity and gas.

Our responsible Minister, the Minister for Energy and Resources, reviews and determines levies for industry every two years. Regulated fees and charges are reviewed and reset when they expire.

Our strategic financial objectives are to maintain:

- key financial viability ratios by ensuring we can pay our debts when they are due
- liquidity and cash viability to account for short-term uncertainties.

Budget 2023–24

We have budgeted revenue of \$71.4 million for 2023–24, comprising \$45.8 million in levies, \$22.9 million in fees and \$2.7 million in grants and other revenue.

Total operating expenditure for 2023–24 is budgeted at \$79.6 million while capital expenditure is projected to be \$1.3 million.

The projected deficit of \$8.2 million will be funded out of existing cash reserves as we do not foresee a requirement for debt financing in the short term.

We maintain our strategy of using cash reserves built up from previous years to invest in growth and capital expenditure. As a result, the projected cash balance at the end of the 2023-24 financial year will decrease to \$5.0 million from the \$13.9 million forecast on 30 June 2023.



Part five: Our financial strategy

Strategic business and financial overview

Our operations are funded through fully recovering capital and operational costs from industry. Costs are recovered through a range of fees and charges on individuals and levies on companies operating in the pipelines, gas and electricity industries. Safety regulation costs are ultimately included in the prices paid by consumers of electricity and gas.

The Minister reviews and determines levies for industry biennially with the levies for 2023–24 having been determined by the Minister by June 2023. The next review will be in 2025 for the financial year 2025–26 and 2026–27.

Strategic business and financial overview

Our strategic financial objectives are to maintain:

- key financial viability ratios:
 - Current ratio is greater than or equal to 1.0
 - Assets to Liabilities ratio is greater than or equal to 1.0
- liquidity and cash viability to account for short-term uncertainties caused by any of the following unforeseen circumstances:
 - levy determination approval delays
 - major incidents or natural disasters
 - possible legal proceedings
 - variability of certificates of electrical safety (COES) income reflecting market conditions.

Asset management strategy

Our asset management strategy is reviewed annually to ensure its validity and alignment with our organisational strategy.

Our main assets are:

- a leased motor vehicle fleet
- office leases at Southbank and Brandon Office Park (Glen Waverley)
- furniture, fittings and office equipment
- intangible assets, mainly ESVConnect and other software applications.

Our vehicle fleet is leased through the Victorian Government endorsed fleet management partner. Our strategy is to ensure the vehicles, as a necessary tool of trade, are provided to continually enable the organisation to perform its role as a regulator effectively.

We have two long-term office leases at Southbank and Glen Waverley. Leases are reviewed periodically to ensure alignment with the future size and requirements of our workforce.

We recognise software, ready-made or purpose-built, in its categorisation of intangible assets as well as furniture, fittings and office equipment that support our objectives and activities.

2023–24 budget

Cash budget 2023–24

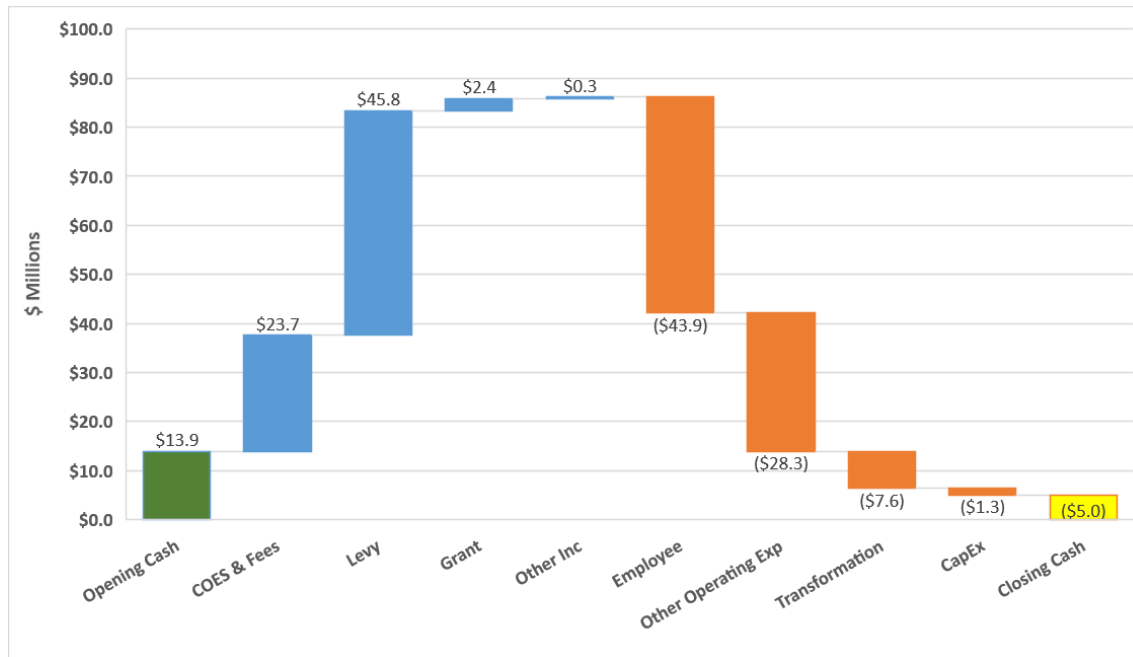
ESV's overall budget for the 2023–24 financial year is a net cash outflow of \$8.9 million.

This includes continuing and further investment in implementing our One ESV 2025 operating model, the Transformation Program, CPD program for electrical workers, strengthening our compliance and enforcement approach, additional resources for renewable energy and the hydrogen industry development plan.

These investments are being undertaken to ensure we meet our increased organisational requirements and our enhanced regulatory role.

Levy income is based on cost recovery principles informed by aggregate resourcing levels determined in this plan and approved by the Minister. This will increase rates by 40.7 per cent for the electricity industry and 40.3 per cent for the gas and pipelines industry from 2022–23 to 2023–24.

2023–24 cash balance movement (inflow and outflow)



Cash Balances Forecasts to June 2026

ESV modelling indicates a dwindling of its closing cash balances based on its current funding model.

Financing 2023–24

We will maintain our strategy of using cash reserves built up from historical efficiencies to invest in growth and capital expenditure.

Accordingly, we will fund our 2023–24 cash deficit from existing cash reserves.

As a result, our June 2024 cash balance is expected to decrease by \$8.9 million to \$5.0 million from the June 2023 cash balance forecast of \$13.9 million.

We do not foresee a requirement for debt financing in the short term.

Assumptions for 2023–24

Looking beyond 2023–24, our financial forecasts are based on the following assumptions:

- a fully funded enterprise agreement with annual salary increase in line with the current Victorian Government wages policy
- rent increases as reflected in the lease agreements
- other operational costs to increase by Consumer Price Index.

Approved fees and levies for 2023–24

The *Monetary Units Act 2004* permits fees to be expressed in regulations in ‘fee units’. Fee units are indexed on 1 July each year, which ensures they can be updated without the need for continual updates to regulations.

Electrical fees

Fees payable under the Electricity Safety (Registration and Licensing) Regulations 2020

Type	Fee 2023–24 (\$)
Electrical contractor application (42.52 fee units)	676.10
Electrical contractor renewal (20.42 fee units)	324.70
Licence application – Electrical worker (27.3 fee units)	434.10
Licence application – Electrical inspector and restricted electrical worker (42.52 fee units)	676.10
Licence application – Supervised worker licence (issued up to 3 years) (27.3 fee units)	434.10
Licence renewal – Electrical worker (13.65 fee units)	217.00
Licence renewal – Electrical contractor (20.42 fee units)	324.70
Licence renewal – Electrical inspector and restricted electrical worker (20.42 fee units)	324.70

Licence application – Switchgear worker (27.3 fee units)	434.10
Licence renewal – Switchgear worker (13.65 fee units)	217.00

Fees payable under the Electricity Safety (General) Regulations 2019

Type	Fee 2023–24 (\$)
Electronic Certificate of Electrical Safety form for prescribed electrical work (2.2 fee units)	35.00
Paper Certificate of Electrical Safety form for prescribed electrical work (2.4 fee units)	38.20
Periodic Certificate of Electrical Safety for relating to non-prescribed electrical work (55.6 fee units)	884.00
Any other electronic Certificate of Electrical Safety	8.10*
Any other paper Certificate of Electrical Safety	8.90*
Application for exemption under Installation Safety Regulation 401 (5.99 fee units) [#]	95.20

* Prescribed fees that are less than the value of one fee unit are not tied to the indexing formula set out under the *Monetary Units Act 2004* but may still be increased on 1 July each year up to the value of the indexation formula.

[#] Exemptions charges are based on current fee units that apply for the financial year.

~ Increase in COES fees arises from indexing of fee units, however, fees are currently under review by Government and may be amended during 2023. Any fee amendments will be published.

Fees payable under the Electricity Safety (Equipment Safety Scheme) Regulations 2019

Type	Fee 2023–24 (\$)
Application for a new certificate of suitability (60.0 fee units)	954.00
Application for a new certificate of suitability for equipment previously certified by Energy Safe Victoria (40.0 fee units)	636.00
Application for a variation of a certificate of suitability – change of name or model (17.0 fee units)	270.30
Application for renewal of certificate of suitability (17.0 fee units)	270.30
Application for renewal of certificate or Application for transfer of certificate of suitability (17.0 fee units)	270.30
Application for new certificate of conformity for electrical devices and luminaires (34.0 fee units)	540.60
Application for new certificate of conformity for electrical equipment (other than an electrical devices or luminaires) (51.0 fee units)	810.90
Application for a new certificate of conformity for electrical devices and luminaires previously certified by Energy Safe Victoria (23.0 fee units)	365.70
Application for a new certificate of conformity for electrical equipment previously certified by Energy Safe Victoria (other than an electrical devices or luminaires) (34.0 fee units)	540.60
Application for a variation of a certificate of conformity – change of name or model (17.0 fee units)	270.30

Type	Fee 2023–24 (\$)
Application for renewal of certificate of conformity (17.0 fee units)	270.30
Application for transfer of certificate of conformity (17.0 fee units)	270.30

Annual fees payable under the Electricity Safety (Cathodic Protection) Regulations 2019

Type	Fee 2023–24 (\$)
Registration fee for an impressed current cathodic protection system with a total output up to and including 250 milliamperes (8.77 fee units)	139.40
Registration fee for an impressed current or galvanic anode cathodic protection system with a total output over 250 milliamperes and up to and including 2 amperes (21.95 fee units)	349.00
Registration fee for an impressed current or galvanic anode cathodic protection system with a total output over 2 amperes (49.57 fee units)	788.20

Annual fees payable under the Electricity Safety (Management) Regulations 2019

Type	Fee 2023–24 (\$)
Voluntary electricity safety management scheme (965 fee units per annum)	15,343.50

Gas fees

Annual fees payable for safety case applications made under sections 52, 53, and 54 of the Gas Safety Act are set out in the Gas Safety (Safety Case) Regulations 2018

Type	Fee 2023–24 (\$)
Voluntary safety case (ss52, 53, 54 Gas Safety Act 1997) (1,007 fee units per annum)	16,011.30

Fees payable under the Gas Safety (Gas Installation) Regulations 2018, which relate to the acceptance of appliances and applications for exemptions from prescribed standards

Type	Fee 2023–24 (\$)
Acceptance of appliance (s69 Gas Safety Act 1997) (51.0 fee units)	810.90
Application for exemption from standards (s72(3) Gas Safety Act 1997) (8.03 fee units)	127.70

Levies

Electricity levies

Determinations made by the Minister for Energy and Resources under section 8 of the Electricity Safety Act require electricity distribution companies to pay specified amounts to us to cover the reasonable costs and expenses we incur fulfilling our regulatory functions. The following table sets out the levies, which are based on the number of customers in each electricity distribution area.

Company	Levy 2023–24 (\$)
Jemena	2,348,482.00
Citipower Pty	2,133,873.88
Powercor Australia	5,625,844.08
SPI Electricity Pty Ltd/ AusNet Services	5,026,982.31
United Energy Distribution Pty Ltd/ Alinta	4,352,675.76
Total	19,487,858.02

Gas levies – natural gas pipeline companies

Determinations made by the Minister for Energy and Resources under section 11 of the Gas Safety Act require gas companies to pay specified amounts to us to cover the reasonable costs and expenses we incur fulfilling our regulatory functions.

Company type	Type	Name	Levy 2023–24 (\$)
Natural gas distribution companies	Fixed fee		16,498.35
		Natural gas distribution pipeline owned in Victoria	71.22 per kilometre
		Natural gas distribution pipeline domestic customers in Victoria	Australian Gas Networks Ltd AusNet Gas Services Pty Ltd Gas Networks Victoria Pty Ltd Multinet Gas Distribution Partnership 8.87 per customer
Natural gas transmission companies	Fixed fee		16,792.64
		Natural gas transmission pipeline owned in Victoria	APA SEA Gas (Mortlake) Pty Ltd and REST MPS Pty Ltd APA VTS Australia (Operations) Pty Ltd APT Management Services Pty Ltd (APA) / Australian Gas Networks (Vic) Pty Limited APT Pipelines (SA) Pty Ltd (SESA Pipeline) Beach Energy (Bass Gas) Gas Pipelines Victoria Pty Ltd Jemena Gas Pipelines Holdings Pty Ltd (EGP and Vic Hub) LYB Operations and Maintenance Pty Ltd (Loy Yang B) Multinet Gas Distribution Partnership South East Australia Gas Pty Ltd SPI Networks (Gas)/ AusNet services Tasmanian Gas Pipeline Pty Ltd (TPG) 341.67 per kilometre

Gas levies - other gas entities

Determinations made by the Minister for Energy and Resources under section 11 of the Gas Safety Act require other gas companies, including those supplying LP Gas, to pay specified amounts to us.

Company	Type	Name	Levy 2023–24 (\$)
LP or landfill company with direct or indirect customers of unreticulated LP Gas	2 to 1,000		6,412.99
	1,001 to 5,000		12,782.32
	5,001 to 10,000	Origin Energy LPG	32,018.26
	10,001 to 20,000	Supagas	63,996.49
	20,001 to 50,000		127,949.45
	Over 50,000	Elgas Pty Ltd	319,852.94
LP or landfill gas company that operates a reticulated LP gas system or systems	Service fee	Energy Developments Ltd	11,076.37
Other declared gas companies (reticulated LPG)	Service fee		11,076.37
	2 to 1,000	Indigo Shire Council (Mt Buller)	6,412.99
		Mt Hotham Alpine Resort	
		Elgas Ltd	
		Elgas Ltd (Victorian LP Gas Reticulation Systems)	
	1,001 to 5,000		12,782.32
	5,001 to 10,000		32,018.26
	10,001 to 20,000		63,996.49
20,001 to 50,000		127,949.45	
Over 50,000		319,852.94	

Gas levies - non-gas pipelines

Determinations made by the Minister for Energy and Resources under section 132A of the Pipelines Act 2005 require licensed pipeline companies to pay specified amounts to us.

Company	Type	Name	Levy 2023–24 (\$)
Licensed pipeline companies	Fixed fee		15,958.22
	Licensed pipeline owned in Victoria	Air Liquide Australia Ltd	943.60 per kilometre
		Australasian Solvents and Chemicals	
		Beach Energy	
		Beach Energy (Operations) Limited	
		Beach Energy (Bass Gas)	
		BOC Ltd	
		BP Australia Pty Ltd	
		Cooper Energy Pty Ltd	
		Elgas Reticulation	
		Esso Australia Pty Ltd	
		Incitec Pivot Ltd	
		Ixom Operations Pty Ltd	
		Mobil Refinery Australia	
		Qenos Pty Ltd	
	Somerton Pipeline Joint Venture		
	United Petroleum (Trafigura)		
	Viva Energy Australia Ltd		
	Viva Energy Australia Ltd (PLs 58, 59 and 60)		

Financial management and accounting policies

Accounting policies

Reporting entity

Energy Safe Victoria is given the authority to operate by way of the Energy Safe Victoria Act, and is a statutory authority acting on behalf of the Crown. Its principal address is Level 5, 4 Riverside Quay, Southbank Victoria, 3006.

Basis of preparation

These financial statements are presented in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measure on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. Estimates and associated assumptions are based on professional judgments derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Actual results may differ from these estimates. Amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS), which includes interpretations issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AASB paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

How funds are raised

As Victoria's independent electricity, gas and pipeline safety and technical regulator, ESV's mission is to ensure safe and efficient supply and use of electricity and gas and the safety of its pipelines for the benefit of all Victorians.

To enable ESV to fulfil its objective and service delivery, ESV's primary source of income is from fees and levies. Income is recognised to the extent

that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

Fee income

Sales of Certificates of Electrical Safety (COES) are recognised upon invoicing. Registration and licence fees paid by electrical workers are recognised upon receipt of income by ESV. Fees paid by members of the electrolysis industry to cover mitigation costs, in accordance with the Electricity Safety Act 1998, are recognised upon invoicing.

Fees paid by manufacturers and importers of electrical equipment for approval prior to the goods being made available for sale are recognised upon receipt of income. Appliance efficiency income is recognised upon invoicing. Other sales and services are recognised upon receipt of income.

Levy income

Levy income charged on the electricity industry to ensure compliance with the Electricity Safety Act 1998 and subordinate regulations are recognised upon invoicing.

Levies charged on the gas industry to ensure compliance with the Gas Safety Act and subordinate regulations are recognised upon invoicing. Levy income charged on the pipelines industry to ensure compliance with the Pipelines Act and subordinate regulations are recognised upon invoicing. Each levy covers a 12-month

period and ESV carries out regulatory activities in line with that timeline.

Based on AASB 15, ESV recognises the revenue over the 12-month timeframe.

Interest income

Interest income comprises interest received on bank term deposits. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

Grant income

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to ESV without receiving approximately equal value in return.

While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers).

ESV received specific purpose grants from Departments and uses these funds as specified in the relevant agreement. ESV recognises revenue when ESV satisfies a performance obligation by transferring a promised good and service (an asset) to a customer as per AASB 15.

Other income

Other income comprises income from installation exemptions, reimbursements, court determinations, sundry advertising co-contributions and bad debt reversals.

How funds are spent

This section provides an account of the expenses incurred by ESV in its service delivery. The funds that enable the provision of services were disclosed above and in this note the cost associated with provision of services are recorded.

Employee benefits

Employee benefits – comprehensive operating statement

Employee benefits include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, and termination payments.

The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. ESV recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave, and on-costs) are recognised as part of the employee benefit provision as current liabilities, because ESV does not have an unconditional right to defer settlements of these liabilities.

Unconditional LSL is disclosed as a current liability even where ESV does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if ESV expects to wholly settle within 12 months, or
- present value – if ESV does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This noncurrent LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of the non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

Superannuation expense

ESV employees are entitled to receive superannuation benefits and ESV contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debt expenses from transactions that are mutually agreed. Supplies and services are recognised as an expense in the reporting period in which they are incurred.

Major assets

ESV controls infrastructure utilised to fulfil its objectives and conduct its activities, and represents key resources entrusted to ESV to be utilised as part of its service delivery.

Total plant and equipment

Items of plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The fair value of plant and equipment is normally determined by reference to the asset's depreciated replacement cost. ESV's asset policy sets the minimum asset capitalisation threshold of individual units at greater than \$5,000.

ESV recognises a group of assets as a unit when the following conditions are met:

- Multiple units of the same item are purchased in a single transaction.
- Individual value of the asset does not meet the capitalisation threshold of \$5,000, but as a group the total purchase value exceeds \$50,000 (GST exclusion).
- It is commercially viable to purchase multiple units of the same item under a single transaction.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

Depreciation and amortisation

All plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are:

- Furniture and fittings - 10 to 15 years.
- Equipment - 3 to 15 years.
- Leasehold improvements - 4 to 7 years.
- Vehicle (mobile site office) - 2 to 20 years.

The estimated useful lives, residual values, and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

In the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced (unless a specific decision to the contrary has been made).

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

Intangible assets

ESV only recognises software, ready-made or purpose-built, in its categorisation of intangible assets. Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets are met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation begins when the asset is available for use: when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. An internally-generated intangible asset arising from development (or from the development phase of

an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale or an intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset.
- The intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The ability to reliably measure the expenditure attributable to the intangible asset during its development.

The costs of discovery or research phase of internally-generated intangible assets are expensed.

Intangible assets with finite useful lives are depreciated as an 'expense from transactions' on a systematic (typically straight-line) basis over the asset's useful life. Intangible assets have useful lives of between two and seven years.

Impairment of intangible assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever an indication of impairment is identified.

Other assets and liabilities

This section sets out those assets and liabilities that arose from ESV's controlled operations.

Receivables

Contractual receivables are classified as financial instruments and categorised as 'loans and receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments.

Doubtful debts

Receivables are assessed for bad and doubtful debts on a regular basis. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

Payables

Payables consist of:

- contractual payables, classified as financial instruments and measured at amortised cost, and accounts payable represent liabilities for goods and services provided to ESV prior to the end of the financial year that are unpaid
- statutory payables that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Lease agreements

ESV has lease agreements in relation to its office premises and motor vehicle fleet. Previously, these were reported as operating leases, hence the expenditure was reflected in the profit and loss statement with no asset and liability recognition.

With the introduction of AASB 16, all material leases will be brought onto the balance sheet from the 2019–20 financial year. The net present value of the lease obligation over the contract period is included as right-of-use asset and current and non-current liability in the balance sheet. The lease payments include interest expense and depreciation.

Other non-financial assets

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering the term extending beyond that period.

Financing ESV's operations

ESV's continuing operations are financed from cash flows from operating activities (see the consolidated cash flow statement). Asset investment operations are generally financed from surplus cash flows from operating activities.

Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are

held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Due to the Government's investment policy and funding arrangements, ESV does not hold large cash reserves in its bank accounts.

Risk, contingencies and valuation judgements

Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of ESV's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines, and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation. Guarantees issued on behalf of ESV are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

Categories of financial instruments

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest rate method (and for assets,

less any impairment). ESV recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)
- term deposits.

Financial assets and liabilities at fair value through net result are categories as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition.

Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed by the entity concerned based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies.

Financial instruments at fair value through net result are initially measured at fair value. Attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows. Financial liabilities at amortised costs are initially recognised on the date they originate. They are initially measured at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest

rate method. ESV recognises payables (excluding statutory payables) in this category.

Impairment of financial assets

At the end of each reporting period, ESV assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Fair value determination

Fair value is the price that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating results
- plant and equipment.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised by three levels, also known as the fair value hierarchy:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

ESV determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial statements and position - Income Statement

ENERGY SAFE VICTORIA

FINANCIAL FORECAST MODEL - 2024 TO 2026

	Budget FY24 Jun-24	Forecast FY25 Jun-25	Forecast FY26 Jun-26
Income			
Sale of safety certificates	15,336,560	15,317,610	16,419,570
Electrical licensing fees	4,472,717	5,572,960	6,738,032
Electrolysis/ CP systems	1,965,084	1,965,084	1,965,084
Electrical appliance testing fees	202,298	209,378	215,660
Appliance efficiency fees	897,886	929,312	957,192
Fee Income	22,874,545	23,994,345	26,295,538
Electricity industry levy	19,487,858	20,125,982	20,863,233
Gas industry levy	24,512,249	25,229,311	26,078,173
Pipelines levy	1,794,600	1,847,154	1,909,357
Levy Income	45,794,707	47,202,447	48,850,763
Interest	33,357	23,263	39,008
Grant income	2,393,297	4,072,139	3,672,167
Other income	311,511	323,464	335,875
Total Income	71,407,416	75,615,657	79,193,350
Expenses			
Employee	43,945,149	49,332,577	50,812,554
Compliance audit	3,600,000	3,610,500	3,619,815
Marketing	2,298,850	1,870,959	1,927,088
Motor vehicle	1,454,014	1,532,565	1,543,874
Consultants and contractors	12,969,010	8,278,342	7,106,692
Occupancy	1,369,745	595,193	461,826
Information services	5,445,298	5,118,383	5,271,935
Insurance	1,227,000	1,269,945	1,308,043
Training & workshops	872,072	706,840	728,045
Travel	471,220	373,573	384,780
Professional fees	1,831,501	1,823,154	1,877,848
Memberships & subscriptions	320,135	331,340	341,280
General administration	724,010	612,316	630,686
Depreciation & amortisation - PPE & intangibles	3,114,472	2,511,500	830,525
Total Operating Expenses	79,642,477	77,967,187	76,844,992
Net Surplus / (Deficit)	(8,235,061)	(2,351,530)	2,348,359

Financial statements and position - Balance Sheet

ENERGY SAFE VICTORIA

FINANCIAL FORECAST MODEL - 2024 TO 2026

	Budget FY24 Jun-24	Forecast FY25 Jun-25	Forecast FY26 Jun-26
Cash	5,028,168	4,615,562	7,710,305
Receivables	1,655,609	1,701,655	1,753,953
Plant and equipment	284,940	210,988	149,669
Intangible assets	6,386,706	3,949,157	3,179,952
Prepaid expenses	2,010,792	2,010,792	2,010,792
Leased assets - Extend and New Pty	-	2,607,481	1,404,028
Leased assets - Existing	1,277,779	563,478	-
TOTAL ASSETS	16,643,993	15,659,114	16,208,699
Unearned income	3,373,833	2,973,861	2,973,861
Payables	1,509,628	1,360,771	1,325,789
Provisions	7,215,740	7,215,740	7,215,740
Leased liabilities - Extend and New Pty	-	2,668,221	1,477,566
Leased liabilities - Existing	1,325,877	573,136	-
TOTAL LIABILITIES	13,425,078	14,791,728	12,992,955
NET ASSETS	3,218,915	867,386	3,215,744
Current Period Profit/ (Loss)	(8,235,061)	(2,351,530)	2,348,359
Retained earnings	7,668,543	(566,517)	(2,918,047)
Asset revaluation surplus/ (deficit)	175,433	175,433	175,433
Contributions by owners	3,610,000	3,610,000	3,610,000
EQUITY	3,218,916	867,386	3,215,744

Financial statements and position - Statement of Cash Flows

ENERGY SAFE VICTORIA

FINANCIAL FORECAST MODEL - 2024 TO 2026

	Budget FY24 Jun-24	Forecast FY25 Jun-25	Forecast FY26 Jun-26
Cash Flow from Operating Activities			
Profit After Tax	(8,235,061)	(2,351,530)	2,348,359
Non Cash Flow Adjustments			
Depreciation & amortisation - PPE & intangibles	3,114,472	2,511,500	830,525
(Increase) / Decrease in Assets			
Accounts Receivable	(593,357)	(46,046)	(52,298)
Prepaid Expenses	-	-	-
Leased Assets	(4,291)	(1,893,181)	1,766,931
(Decrease) / Increase in Liabilities			
Accounts Payable	(2,059,548)	(148,857)	(34,982)
Unearned Income	444,642	(399,972)	-
Provisions - Current & Non-Current	-	-	-
Lease Liabilities - Current & Non-Current	(210,840)	1,915,479	(1,763,791)
Net Working Capital & Adjustments	(2,423,395)	(572,576)	(84,141)
Cash Flows from Operating Activities	(7,543,984)	(412,606)	3,094,742
Cash Flows from Investing Activities			
Capital Expenditure - P & E and Intangibles	(1,329,616)	-	-
Cash Flows from Investing Activities	(1,329,616)	-	-
Cash Flows from Financing Activities			
Net Proceeds (Payments) of Borrowings	-	-	-
Cash Flows from Financing Activities	-	-	-
Net Change in Cash	(8,873,600)	(412,606)	3,094,742
Beginning Cash	13,901,768	5,028,168	4,615,562
Ending Cash	5,028,168	4,615,562	7,710,305
Net Change in Cash	(8,873,600)	(412,606)	3,094,742

Glossary

AAS	Australian Accounting Standards	REFCL	Rapid earth fault current limiter
AASB	Australian Accounting Standards Board	REZ	Renewable energy zone
AGIG	Australian Gas Industry Group	SC	Safety case
AGN	Australian Gas Network	SLA	Service level agreement
ARENA	Australian Renewable Energy Agency	SMP	Safety management plan
BMP	Bushfire management plan	VBA	Victorian Building Authority
CAB	Certification assessment body	VESMS	Voluntary electricity safety management scheme
CO	Carbon monoxide	VRET	Victorian Renewable Energy Target
COES	Certificate of electrical safety		
CP	Cathodic protection		
CPD	Continuing professional development		
CRM	Customer records management		
DEECA	Department of Energy, Environment and Climate Action		
DDIY	Don't Do It Yourself		
EESS	Electrical Equipment Safety Scheme		
ELCMP	Electric line clearance management plan		
ESMS	Electricity safety management scheme		
ESV	Energy Safe Victoria		
FMA	Financial Management Act		
HBRA	Hazardous bushfire risk area		
JAS-ANZ	Joint Accreditation System of Australia and New Zealand		
LBRA	Low bushfire risk area		
LEI	Licensed electrical inspector		
MEC	Major electricity company		
NGZ	No Go Zone		
OFGSH	Open flued gas space heater		
PV	Photovoltaic		
REC	Registered electrical contractor		