

12 July 2024

Consultations
Energy Safe Victoria
PO Box 262
Collins Street West VIC 8007

Locked Bag 14051
Melbourne City Mail Centre
Victoria 8001 Australia
T: 1300 360 795
www.ausnetservices.com.au

Dear Sir/Madam

Energy Infrastructure Safety Case Guidelines – Draft for consultation (“Consultation Paper”)

AusNet Electricity Services Pty Ltd (“**AusNet**”) appreciates the opportunity to provide input into the Consultation Paper and note Energy Safe Victoria’s (**ESV**) request for feedback on particular items of interest which include;

1. ESV’s proposed approach to implementing the legislative changes regarding safety case submission and revision.
2. The clarity of the guidance provided on safety case structure and content, and whether stakeholders find it sufficient.
3. Areas of the guidelines that could benefit from more detailed information.

Response to Consultation Paper

AusNet makes the following submissions in response to each of ESV’s items of interest concerning the Consultation Paper:

Item 1

- AusNet supports the proposed minimisation of ‘incorporated’ documents and un-necessary details that will result in the need for frequent resubmission and acceptance of revised Safety Cases by ESV. This approach should support businesses moving further toward a key finding of the ‘Independent Review of Victoria’s Electricity and Gas Network Safety Framework’ report that Safety Cases provide a network safety framework that is outcome-based. This provides for timely responses to the dynamic nature of network operating environments, hazards and risks.
- AusNet accepts the process detailed within Section 4 ‘Submission and assessment process’ for the submission of revised Safety Cases post the transition process. However, AusNet wishes to clarify transitional arrangements for its Gas and Electricity Distribution Safety Cases that are currently under review by ESV, together with its Transmission Safety Case currently in the process of review for submission by November 2024. Under current arrangements, ESV are accepting submissions not formally signed by the CEO to allow for consultation between energy infrastructure businesses and ESV in amending existing Safety Cases to meet changing expectations.

Item 2

- AusNet considers the structure and content to be consistent with existing Safety Cases and that ESV’s proposed Stage 2 of their review will provide the opportunity for further consultation

in order to provide additional clarity regarding the nature and level of detail required for respective infrastructure sectors.

- AusNet supports the inclusion of 'performance standards/key performance indicators' as described within Section 5.2.5 'Safety management system'. For practicality of undertaking and documenting Formal Safety Assessment (Section 5.2.4) workshops, defining 'performance standards/key performance indicators' related to nominated controls would be more practicable within the Safety Management System.

By way of example, typical controls for prevention of asset failure are the application of 'design standards' and 'asset inspection' in accordance with a company's approved design standards and inspection procedures. Articulation and documentation of the performance standards/key performance indicators through Formal Safety Assessment (FSA) workshops for hundreds of hazards would significantly increase the duration and complexity of performing workshop activities.

- AusNet agrees with the retention of reference to 'internal operating procedures and other such documents', as described in Section 5.3.2 'Referencing other documents external to the safety case'. This will ensure the on-going value of the Safety Case for our internal and delivery partner stakeholders in utilising it as an overarching guide to the company's safety management system.
- With respect to 'reference' documents discussed in section 5.3.2, AusNet wishes to confirm that addition and/or removal of reference to internal procedures or other such documents are not considered a change to the accepted Safety Case requiring resubmission to ESV.
- Paragraph 2 of Section 5.1 'Safety cases' discusses clarity of Safety Cases to 'others who are independent of the energy infrastructure company'. As the Safety Cases are not a public document, they have been developed primarily for the use of internal personnel, delivery partners and ESV. Should the expectation be that Safety Cases become a public document, this may result in the reduction in the level of operational detail and value Safety Cases currently provide to internal and delivery partner stakeholders.

Item 3

- Additional clarification is required in relation to Section 3.2.1 'Assessment must be made with clear presumption in favour of safety'. The second paragraph provides a more explicit requirement than Section 5 concerning explanation of where controls are not applied.

From an operational perspective, the performance of an FSA is undertaken at a network level whereby controls may be applied to address a hazard across the entire network or only selectively applied. The FSA workshop process does not involve, nor is equipped to perform detailed financial analysis of costs and benefits of controls and their respective application.

Detailed determination of disproportionality is undertaken through the development of specific Asset Management Strategies or Business Cases for specific asset fleet/classes or specific sections of network, depending upon the nature of the hazard/s. There are documented procedures for determination of risk and the application of disproportionality factors based upon potential consequences associated with a risk.

- Additional clarification is required in relation to Section 4.3.2 'Consultation with stakeholders'.

AusNet utilises its FSA process to engage the collective knowledge and network operational experience of its Subject Matter Experts (SME) to identify gaps or emerging issues that are impacting, or have the potential to impact, customers and a diverse range of other external network stakeholders.

The Safety Case includes operational procedures and legislative obligations for co-ordination of proposed works with network stakeholders which include, but are not limited to, other utilities, peak industry bodies, agencies, customers, planning authorities and cultural heritage groups. Issues raised through this process are generally organic with respective stakeholders focussed on addressing their processes or issues as they arise.

AusNet has a Customer Consultative Committee with which it engages on a broad range of issues relevant to customers. It also has network-specific consultative groups through which it tests proposals for network price determinations with the Australian Energy Regulator. This engagement is to test various service offerings and levels, of which network safety proposals are an element. However, this does not currently extend to examination of the Safety Case processes as stakeholders are focussed on customer outcomes and value for money.

We look forward to working with you in relation to the Consultation Paper. If you have any queries in relation to this matter, please do not hesitate to me.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Phillip Bryant', is placed over a light yellow rectangular background.

Phillip Bryant
Manager, Network Safety
AusNet Services