

# Energy Infrastructure Safety Case Guidelines

Decision paper and statement of reasons

December 2024

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# 1 Summary

Major electricity companies, gas companies and pipeline licensees (**energy infrastructure companies**) have general duties under Victoria's energy safety laws to minimise the hazards and risks arising from their electricity and gas supply networks, gas facilities and pipelines. To demonstrate how they will fulfil these duties, energy infrastructure companies are required to submit safety cases to Energy Safe Victoria.

To assist energy infrastructure companies in preparing safety cases and to help interpret legislative amendments that came into effect in May 2024, we have developed new Energy Infrastructure Safety Case Guidelines (**Guidelines**). The Guidelines replace the Energy Infrastructure Safety Management Policy with the aim of communicating, at a high level, Energy Safe's current expectations about the form and content of safety cases and the assessment process. To supplement the Guidelines, we will over time update other safety case-related guidelines and create new ones as needed to provide more detailed sector-specific advice.

We consulted publicly on a draft version of the Guidelines (**Draft Guidelines**), from 3 June to 15 July 2024. The purpose of the consultation was to obtain stakeholder feedback on the clarity of our assessment process and expectations regarding the style, content, and structure of safety cases. We also sought feedback on how energy infrastructure companies may adapt to the new review and revision requirements arising from the legislative amendments.

We received 11 submissions on the Draft Guidelines. This decision paper and statement of reasons summarises the feedback in those submissions and our response. Key issues raised by stakeholders include:

- There is a need for further guidance on expectations for minimising hazards and risks.
- The timeframes for assessment of safety cases, and requirements for the review and revision of safety cases, were unclear or impractical.
- There is a need for more guidance on incorporating stakeholder engagement and consultation into a safety case.
- The applicability of the Draft Guidelines to gas retailers.

In response to the feedback, we have made some changes to the Guidelines to clarify expectations or further explain our intent. Noting the Guidelines are intended to be high-level, we have noted feedback asking for more detail on particular issues and intend to address that feedback in our more detailed industry/sector-specific guidelines.

The Guidelines can be found on the Energy Safe website at <https://www.energysafe.vic.gov.au/Energy-infrastructure-safety-case-guidelines>.

# 2 Background

## 2.1 The safety case framework

Energy infrastructure companies have general duties under the *Electricity Safety Act 1998*, the *Gas Safety Act 1997* and the *Pipelines Act 2005* to minimise, as far as practicable or as far as is reasonably practicable, the hazards and risks to people and property that arise from their infrastructure. For major electricity companies (**MECs**), this also includes minimising bushfire danger, as far as practicable.

How an energy infrastructure company intends to meet its general duties is required to be demonstrated in a safety case, which is submitted to Energy Safe for assessment and acceptance. Safety cases include electricity safety management schemes (**ESMS**), gas safety cases (**GSC**), and safety management plans (**SMP**).

The *Energy Legislation Amendment (Energy Safety) Act 2023* introduced new requirements for the review and revision of accepted safety cases under the Electricity Safety Act and Gas Safety Act. As a result, MECs and gas companies are now required to submit:

- a revised ESMS or GSC (as applicable) to Energy Safe every 5 years, regardless of when the last revision was accepted; and
- all proposed revisions to an accepted ESMS or GSC to Energy Safe regardless of whether the revision or amendment is 'significant' or not.

There were no changes to the review and revision requirements in the Pipelines Act, which broadly align with the amended requirements noted above for MECs and gas companies.

Chapter 2 of the Guidelines provides a more comprehensive outline of the safety case obligations for energy infrastructure companies.

## 2.2 Consultation on draft guidelines

With the introduction of the new requirements for safety cases in the *Energy Legislation Amendment (Energy Safety) Act 2023*, we took the opportunity to review Energy Safe's published safety case policies and guidelines.

We developed the Draft Guidelines with the aim of updating and communicating Energy Safe's current expectations about the form and content of safety cases and the assessment process. The Guidelines aim to enhance the quality of safety cases submitted for acceptance to ensure they meet regulatory objectives. The Guidelines will replace the current Energy Infrastructure Safety Management Policy.

In addition to the Guidelines, Energy Safe intends to progressively update existing industry-specific safety case guidelines and create new ones as needed. Some feedback gathered during this consultation will be incorporated into the development of these industry-specific guidelines.

We undertook public consultation on a draft of the Guidelines from 3 June 2024 to 15 July 2024. Our consultation did not include specific questions, but instead sought stakeholder feedback on the Draft Guidelines in their entirety.

We received 8 public submissions on the Draft Guidelines, and 3 confidential submissions. We received public submissions from Origin Energy LPG Limited (**Origin**), South East Australia Gas Pty Ltd (**SEA**), AGL Energy Limited (**AGL**), CitiPower/Powercor/United Energy (**CPUE**), Jemena Limited (**Jemena**), APA Group Limited (**APA**), AusNet Electricity Services Pty Ltd (**AusNet**), and Energy Australia Pty Ltd (**Energy Australia**).

# 3 Consultation feedback and response

This chapter summarises the submissions on key issues raised with respect to the Draft Guidelines and our response. A detailed summary of all feedback and how it has been incorporated into the final Guidelines is at **Appendix A**.

## 3.1 Expectations for minimising hazards and risks

We received feedback that guidance is required on what happens when new ‘state of knowledge’ is acquired and how ‘practicable’ versus ‘reasonably practicable’ is assessed.

### Preliminary position

The Electricity Safety Act and Gas Safety Act require MECs and gas companies to minimise hazards and risks as far as ‘practicable’ (**AFAP**), while the Pipelines Act requires pipeline licensees to minimise hazards and risks as far as is ‘reasonably practicable’ (**AFAIRP**).

In section 3.1 of the Draft Guidelines, we stated that what is ‘practicable’ or ‘reasonably practicable’ is to be determined having regard to the matters outlined in Table 1 below. In essence, energy infrastructure companies must identify all of the hazards and risks arising from their infrastructure. They must also identify the risk controls available to eliminate, prevent or reduce the safety risks and:

- implement the most effective control or combination of controls to eliminate each safety risk where that is practicable, or
- where it is not practicable to eliminate a safety risk, implement all practicable controls that contribute to the minimisation of the safety risk.

**Table 1: Matters to consider for determining what is ‘practicable’ or ‘reasonably practicable’**

| As far as ‘practicable’ (AFAP) – the Electricity Safety Act and the Gas Safety Act   | As far as is ‘reasonably practicable’ (AFAIRP) – the Pipelines Act  |
|--|---|
| <ul style="list-style-type: none"> <li>• the severity of the hazard or risk in question</li> <li>• the state of knowledge about the hazard or risk and any ways of removing or mitigating the hazard or risk</li> <li>• the availability and suitability of ways to remove or mitigate the hazard or risk</li> <li>• the cost of removing or mitigating the hazard or risk.</li> </ul> | <ul style="list-style-type: none"> <li>• the likelihood of the hazard or risk concerned eventuating</li> <li>• the degree of harm that would result if the hazard or risk eventuated</li> <li>• what the person knows, or ought reasonably to know, about the hazard or risk and any ways of eliminating or reducing the hazard or risk</li> <li>• the availability and suitability of ways to eliminate or reduce the hazard or risk</li> <li>• the cost of eliminating or reducing the hazard or risk.</li> </ul> |

In section 3.2.3 of the Draft Guidelines, we stated our expectation that energy infrastructure companies should commit to proactively and continuously improving their knowledge and adapting their practices over time to ensure the highest levels of safety are always maintained. This means

doing more than simply adopting and complying with requirements specified in Victoria's energy safety laws such as prescribed technical standards.

## Summary of submissions

We heard from some submitters that expectations for minimising hazards and risks require further guidance and specificity, particularly around state of knowledge, AFAP/AFAIRP, and the scope of hazard and risk controls.

### Hazards, risks and controls

Several submitters sought improved clarity on specific parts of the Guidelines about minimising hazards and risks. For example, clarity was sought on whether every potential control considered but not applied needed to be noted in the safety case. It was also noted that it would be cost prohibitive to implement controls "until there are no additional controls that would further contribute to the reduction of safety risks, or it would not be practicable to implement the additional controls in the circumstances".

It was also noted that only foreseeable hazards and risks can be identified, rather than all risks and hazards. Improved clarity was also sought in respect of the examples used in Draft Guidelines to define the concepts of hazards, risks and controls.

### State of knowledge and defining 'grossly disproportionate'

One submitter noted that the requirement to rapidly mitigate or eliminate risks after acquiring new state of knowledge may act as a disincentive to investment in new technologies and innovation. It was noted that a new 'state of knowledge' often reveals a higher level of risk than previously understood. The submitter noted that it is essential to consider the time required for networks to eliminate or minimise risks as far as practicable. If poorly managed, the concern is that networks may hesitate to adopt new technologies if they fear it will affect their compliance status.

Greater clarity on the definition of 'grossly disproportionate' was also requested. While this term is not explicitly defined in our legislation, when considering cost in assessing what is practicable or reasonably practicable we have interpreted the legislation to require available and suitable controls to be implemented unless the cost of doing so is grossly disproportionate to the benefit in doing so. When evaluating whether a control measure is practicable or reasonably practicable, it is not enough for the costs to simply outweigh the benefits of risk reduction; there must be clear evidence demonstrating that the costs are 'grossly disproportionate' to the benefits received. We have included a definition of 'grossly disproportionate' at Box 3.1 in the Guidelines to provide the requested guidance.

A pipeline licensee commented that state of knowledge requirements should not be included in the Guidelines as state of knowledge is not required under the Pipelines Act. This submitter sought further guidance on how the AFAP and AFAIRP frameworks interact, including with 'as low as reasonably practicable' (**ALARP**) under AS/NZS 2885.6 (Pipelines).

## Discussion and final position

### Hazards, risks and controls

Energy infrastructure companies are only expected to identify foreseeable hazards and risks relating to or arising from their infrastructure. We agree that it may not be possible for all hazards and risks to be identified. We have reflected this by amending the Guidelines to reference 'foreseeable' hazards and risks – see sections 1.2 and 3.1 of the Guidelines.

In terms of controls, Energy Safe will need to be assured when assessing the safety case that there are no additional practicable controls that would further contribute to the reduction of safety hazards and risks. It is important that all potential controls are considered to determine whether the most effective control, or combination of controls, will be implemented to eliminate or minimise a risk or hazard as far as practicable. However, this does not necessarily mean implementing all identified controls. Section 3.2.1 of the Draft Guidelines already outlines our expectations that the energy infrastructure company must clearly explain why and how it determined that the cost of implementing the control is grossly disproportionate to the benefit.

### State of knowledge and defining 'grossly disproportionate'

While we acknowledge that newly identified risks cannot necessarily be addressed immediately, there should be processes in place to identify them, and plan and then take steps to address them within timeframes that are practicable for the circumstances. As the guidelines indicate, our expectation is that energy companies are proactive in improving their knowledge, including via engagement and consultation with stakeholders and peers. As such, we do not believe these expectations would discourage innovation or adoption of new technologies.

We've included further guidance in Box 3.1 of the Guidelines to help determine when the cost of a control may be considered grossly disproportionate. What constitutes "grossly disproportionate" will depend on the specific risk or hazard being addressed, and we recognise that there can be challenges in accurately assessing the costs and benefits of a given measure. It is the responsibility of the company to demonstrate whether the cost of a control grossly outweighs the benefits in the circumstances. We have also made minor changes to the state of knowledge section to clarify our position on implementation of new state of knowledge.

While the Pipelines Act does not explicitly define the term 'state of knowledge,' its principles can still be applied when determining what is AFAIRP. This includes considering what a person should reasonably know about eliminating or minimising hazards and risks, as well as the availability of methods to do so. We have made an amendment to section 3.2.3 of the Guidelines to reflect this. A detailed summary of all submission feedback regarding the concept of minimising risks and hazards, and our response, is provided at **Table A1 in Appendix A**.

## 3.2 Potential timeframes for assessment

We received feedback that the indicative timeframes for the assessment of safety cases are lengthy or unclear and could be optimised by aligning with other regulatory regimes.

### Preliminary position

Due to amendments to the legislation arising from the *Energy Legislation Amendment (Energy Safety) Act*, from 16 May 2024 energy infrastructure companies must submit a revised ESMS, BMP, or GSC (as applicable) to Energy Safe every 5 years. This requirement applies regardless of when the last revision was accepted. The initial 5-year review period following the commencement of these changes is calculated from the date of the most recent acceptance of an ESMS, BMP, or GSC.

At section 4.5 of the Draft Guidelines, we proposed potential timeframes for Energy Safe's assessment of safety cases (Table 2). The timeframe commences from the date of formal submission and excludes any periods during which we are awaiting additional information from the energy infrastructure company.

These timeframes are indicative only, as they are heavily dependent on the circumstances, characteristics and complexity of each case. We will provide a clearer indication of actual timeframes during pre-submission discussions and will keep energy infrastructure companies informed throughout the assessment process.

**Table 2: Potential timeframes for assessment**

| Scenario  | Indicative timeframe |
|---|----------------------|
| Minor revisions to an accepted safety case          | 3 to 9 months        |
| Major revisions to an accepted safety case          | 6 to 12 months       |
| New safety case – straight forward or limited scope | 6 to 12 months       |
| New safety case – complex                           | 12 to 18 months      |

## Summary of submissions

We heard from some submitters that the potential timeframes for Energy Safe’s assessment of safety cases are excessive and will have the effect of restricting improvements to safety practices and will create barriers for new projects. Submitters suggested that the timeframes fail to consider the rates of change in the energy industry, and Energy Safe should commit to assessing safety cases in a timelier manner.

Concerns were also raised that the potential timeframes will not align with other regulatory cycles including, for example, the Australian Energy Regulator’s (AER) 5-year economic regulatory cycle. It was argued that aligning timeframes will result in greater efficiencies, collaboration and engagement.

## Discussion and final position

We believe our indicative assessment timeframes are reasonable. We note that the AER has regulatory approvals process of similar duration, albeit with a more structured pre-submission process prior to the legislated maximum period for considering formal submissions.<sup>1</sup>

The timeframes are only a guide, based on the current state and length of safety case submissions. The timeframes also take into account our current resourcing, approval processes and the volume of safety cases submissions. The number of safety cases submitted to Energy Safe every five years is substantial. For example, there are 71 GSCs and SMPs submitted to Energy Safe for acceptance, along with 10 ESMSs, which is expected to grow as new electricity transmission companies are established in Victoria. In addition to these, Energy Safe has responsibility for assessing and accepting BMPs and electric line clearance management plans.

Assessment timeframes may decrease over time as safety cases increasingly align with the new Guidelines, becoming more targeted and focused. However, given the current processes for evaluating safety cases, we maintain that the indicative timeframes in the Draft Guidelines remain appropriate.

Altering the 5-year review dates to align them with other regulatory cycles is also not possible under the current legislation. However, Energy Safe can accept revisions to safety cases outside of the 5-year review cycle, which allows us to consider proposals arising because of other regulatory submissions. This would allow the company to effectively align the regulatory cycles, although we note that the subsequent 5-year review would still be required. We have made a change to the Guidelines at section 4.6 to reflect this point.

Submitters sought clarity on what constitutes a major or minor revision, and how it relates to the concepts of material and immaterial used in the transitional arrangements (discussed in the following section). We have clarified in the Guidelines that major and minor revisions refer to assessment timeframes, which differs from material or immaterial revisions, which dictate when a revision must be submitted to Energy Safe—either immediately or as soon as practicable.

<sup>1</sup> See the AER’s [Regulatory determination timetable](#).



We have made other minor amendments to the Guidelines to address the feedback on timeframes, which is outlined at **Table A2 in Appendix A**.

### 3.3 Expectations about the revision of safety cases

We received feedback that some expectations about the revision of safety cases are unclear or impractical.

#### Preliminary position

All revisions to an accepted safety case must be submitted to Energy Safe for assessment. We note that, prior to the legislative amendments that came into effect on 16 May 2024, some energy infrastructure companies may have revised their accepted safety cases without submitting the revisions to Energy Safe for assessment. This is no longer permissible under the amended legislation.

We acknowledge that there may be a transition period while energy infrastructure companies update their safety cases accordingly. While this occurs, we recommend that energy infrastructure companies consider whether a proposed revision is material or not—material revisions must be submitted to Energy Safe before they are implemented, while immaterial revisions should be submitted to Energy Safe as soon as practicable:

- material means a revision that is likely to change the basis on which the safety case was originally accepted by Energy Safe (e.g., any revisions that have the potential to meaningfully affect hazards, risks and controls, either directly or indirectly)
- immaterial means a revision that is unlikely to be considered contrary to the intent and interpretation of the safety case and does not meaningfully affect hazards, risks and controls, either directly or indirectly (e.g., a change to position title, name or their contact details listed in the safety case).

#### Summary of submissions

We heard from several submitters that there are challenges with the revision requirements, and that further guidance is required. Key feedback included that submitting minor revisions is impractical and should bypass the acceptance process as they do not significantly impact the risk being managed, and that it was unclear exactly what needed to be submitted to Energy Safe for acceptance.

It was noted that submitting multiple revisions is onerous given the number of changes that can occur, such as connecting transmission customers. One submitter expressed concern that all revisions to an approved safety case, even minor ones like employee title changes, would need to undergo the same approval process as major amendments, noting that it is not possible to obtain Energy Safe acceptance for changes to key positions prior to them taking effect.

Clarification was also sought on the length of the transition period and who determines what constitutes a material versus immaterial revision.

#### Discussion and final position

The requirement to submit all revisions to safety cases to Energy Safe is now embedded in legislation and, as such, we have limited flexibility to depart from this requirement. In the Guidelines, we've clarified that the transitional arrangement applies only to revisions of existing safety cases. When preparing new safety cases during the five-year review, we expect them to be drafted in a way that minimises the need for frequent updates. After the transition period, the distinction between material and immaterial revisions will no longer apply—all changes to an accepted safety case must be submitted to Energy Safe for acceptance. This is discussed further in section 4.7 of the Guidelines.

It is not our intent to require detailed or lengthy technical information for every asset, where changes to these areas would result in frequent revisions. Taking the network poles and associated equipment

example, we would expect the safety case to demonstrate how upgrades to these assets are managed to achieve safety outcomes and how technical standards generally apply.

It is the responsibility of the energy infrastructure company to assess whether a change is material or immaterial. If the energy infrastructure company has concerns whether a given change is immaterial or material, they can test this with Energy Safe. We have made amendments to the Guidelines to clarify this. Further submissions and responses about guidance on the revision of safety cases are outlined in **Table A2 of Appendix A**.

### 3.4 Stakeholder engagement and consultation

We received feedback that the role of stakeholder engagement and consultation in the development and assessment of safety cases should be clearer.

#### Preliminary position

The preparation of a safety case requires energy infrastructure companies to comprehensively consider the hazards, risks and controls for their infrastructure. Energy infrastructure companies are expected to engage and consult with stakeholders to inform their assessments. Stakeholders can include the Victorian community, customers, landowners, regulators, emergency services, industry bodies, unions, and the company's workforce.

Section 3.2 of the Draft Guidelines requires energy infrastructure companies to engage and consult with stakeholders to inform their safety cases. Section 4.3.2. states that the safety case must include details of who, when, why and how stakeholders were consulted, an analysis of their feedback or submissions, and how that feedback has been considered in the development of the safety case. The Draft Guidelines outlined that we expect companies to engage broadly, especially with those directly affected by the infrastructure. Engagement should be a meaningful two-way dialogue, giving stakeholders adequate information and time to contribute. The detail and outcomes of this consultation will be considered in our assessment.

We may also consult on all or part of a safety case or on specific issues relating to safety cases. For example, we may seek views from other regulators such as the AER, WorkSafe Victoria or the Essential Services Commission on issues that also relate to their regulatory remit. We may also publicly consult on sector-wide issues to aid understanding of broader stakeholder views on safety and risks.

#### Summary of submissions

Several submitters sought to understand how Energy Safe will consider stakeholder engagement and consultation in the assessment of a safety case. It was noted that for engagement to be genuine, companies and customers need confidence that Energy Safe will consider the views of stakeholders, including customers who value affordability, equity, reliability and resilience. Some submitters noted that engagement is often informal and organic, and that it is unclear whether this would be considered adequate. Submitters requested that Energy Safe outline engagement principles and reinforced that methods of engagement and consultation should be up to the infrastructure company, to allow bespoke approaches that work for their stakeholders. One submitter argued that engagement should not be mandatory.

Submitters also emphasised opportunities to align engagement processes across regulatory regimes. It was noted that significant engagement and consultation informs the AER regulatory reset programme, and customer engagement for safety cases can be conducted concurrently with that programme.

## Discussion and final position

We agree that the approach to engagement and consultation is best determined by the energy infrastructure companies. We have clarified at section 3.2 of the Guidelines that entities should meaningfully engage with stakeholders as is appropriate for their organisation and circumstances, provided it covers the expectations outlined in the Guidelines and that this is demonstrated in a safety case.

This may include both broad and targeted stakeholder consultation, and it can be incorporated into wider engagement conducted by energy infrastructure companies (such as to inform AER regulatory processes) provided it adequately considers the information required in the safety case.

In terms of Energy Safe's consideration of engagement and consultation, the outcomes of an energy infrastructure company's engagement and consultation will be one of the factors we consider in our assessment. As per the Guidelines, it is up to energy infrastructure companies to demonstrate how engagement and consultation informed their safety case, including the identification of hazards and risks and the applied controls.

Companies can use insights from broader regulatory consultation processes in the development of their safety cases. For instance, during an Electricity Distribution Pricing Review, companies might identify emerging risks related to new technologies, such as the increased use of rooftop solar, home batteries, electric vehicles, or gas connection abolishments. These engagements can help identify trends and inform the types of controls needed to minimise risks and hazards as far as practicable.

Detailed submissions and responses regarding stakeholder engagement and consultation expectations are outlined in **Table A1 of Appendix A**.

## 3.5 Application to gas retailers

We received some feedback that several aspects of the Draft Guidelines were not appropriate for gas retailers which do not own or operate gas transmission, distribution or storage assets.

### Preliminary position

The Guidelines were intended to provide guidance for entities required to submit safety cases which, under section 37 of the Gas Safety Act, includes gas retailers.

### Summary of submissions

One submitter noted that separate guidance should be provided that is relevant and reflective of the operations of the different types of entities.

### Discussion and final position

While some of the requirements relating to safety cases for gas retail facilities and other gas facilities are the same, we recognise that there are also some substantive differences. For example, the infrastructure described, and the risks, hazards, and controls differ greatly for entities with assets involved in physical gas transmission, distribution, or storage, compared to those with only retail operations.

We have, therefore, concluded that the Guidelines should not apply to gas retailers, and our expectations for gas retail safety cases will be covered in separate sector-specific guidelines. We have clarified this upfront in the summary of the Guidelines.

# 4 Next steps

We have published final Energy Infrastructure Safety Case Guidelines, incorporating consultation feedback, on our website – see <https://www.energysafe.vic.gov.au/Energy-infrastructure-safety-case-guidelines>.

The Guidelines communicate, at a high level, our expectations about the form and content of safety cases and the assessment process. A second stage of work will involve reviewing and updating the sector-specific guidelines and producing more detailed or other guidance where necessary. This work will also be subject to a consultation process.

## Appendix A: Energy Safe response to submissions on the Draft Guidelines

The tables below respond to feedback received from all submitters. They are structured in accordance with chapters in the main body of the Guidelines. Several submitters requested confidentiality, so some feedback has been attributed to "submitter" rather than identifying the organisation.

**Table A1 – Chapter 3 Concept for minimising hazards and risks**

| Issue   | Stakeholder feedback  | Energy Safe response   |
|---|---|--|
| <b>Definitions of hazards, risks and controls</b> | <p>Jemena commented on Box 1.2 of the Guidelines which defined hazards, risks and controls. They advised that 'a hazard can be anything', and that external hazards and risks (for example, planes and vehicles) need to be excluded from this definition, and the references "should be from an electrical perspective".</p> <p>Similarly, APA also commented on Section 1.2, and advised that there are a finite number of controls that can be put in place for gas and electricity.</p> | <p>The intention of this box is to define the terms "hazards", "risks" and "controls", rather than identify potentially relevant hazards and risks in the electrical context.</p>  |
| <b>Definitions of AFAP and AFAIRP</b>             | <p>APA, SEA Gas and another submitter raised issues with interpreting and implementing different definitions across different legislation and standards. This includes interpreting AFAP, as required under the Electricity Safety Act and Gas Safety Act, AFAIRP under the Pipelines Act, and as low as reasonably practicable (ALARP) under AS/NZS 2885.6 (Pipelines).</p>  | <p>As outlined in section 3.1 of the Draft Guidelines, "as far as practicable" and "as far as is reasonably practicable" have distinct definitions under our legislation. The intention of our Guidelines is to provide a simple way of interpreting and implementing these distinct definitions. The Guidelines clarify that, in essence, companies must identify all hazards and risks linked to their infrastructure, and then implement the most effective, practicable controls to eliminate where possible or minimise these risks. We consider that this section provides clear, unified guidance on our expectations regarding risk management. We acknowledge differences in the pipelines context when considering managing risk to 'as low as reasonably practicable' under AS/NZS 2885.6. While it is a distinct measure, Pipeline licensees must meet their obligations under the Pipelines Act, and in doing so, are likely to meet their obligations under relevant standards. As such, we consider that the approach outlined above holds in this context.</p> |
| <b>Safety management study process</b>            | <p>SEA Gas believes that the safety management study process in the Australian Standards (Pipelines) meets the AFAP/AFAIRP</p>  | <p>The Guidelines are intended to be general and high-level, outlining a common approach across all safety cases. This feedback will be</p>  |

| Issue  | Stakeholder feedback  | Energy Safe response  |
|--|---|---|
|  | requirement; however, if it did not, this needs to be outlined in the Guidelines.   | used to inform the development of future sector-specific safety case guidance.  |
| <b>Only foreseen hazards and risks can be identified</b> | Jemena commented on Section 1.2 of the Guidelines, noting that only foreseen hazards and risks can be identified, as opposed to “all hazards and risks”.                                    | We agree that it may not be possible for all hazards and risks to be identified. We have reflected this by amending the Guidelines to reference ‘foreseeable’ hazards and risks – see sections 1.2 and 3.1 of the Guidelines. However, energy infrastructure companies must still make all efforts to identify the hazards and risks arising from their infrastructure.   |
| <b>Clarification on ‘grossly disproportionate’</b>       | CPUE requested an expanded definition of ‘grossly disproportionate’ that informs an effective trade-off between safety outcomes and costs based on community perspectives and expectations. | We have provided additional guidance at Box 3.1 of the Guidelines on determining whether the cost of a control is grossly disproportionate. What constitutes grossly disproportionate is dependent on the identified risk or hazard, and we acknowledge the inherent uncertainty in quantifying the benefits and costs of any potential measure. We consider that it is reasonable that the company is responsible for demonstrating whether the cost of the measure is grossly disproportionate to the benefit achieved within the specific context.   |
| <b>Controls can eliminate or control a hazard</b>        | One submitter requested clarification of Box 3.1 in the draft Guidelines to specify that controls can eliminate or control a hazard, not just eliminate it.                                 | The intention of the text in the box (which is Box 3.1 in the draft Guidelines, and Box 3.2 in the final Guidelines) is to outline that the precaution-based approach means applying all practicable controls until the safety risk is eliminated <i>or no further reduction is practicable</i> (i.e. it is controlled, not eliminated).  |
| <b>Decision on implementing controls</b>                 | One submitter requested clarification on whether the company or Energy Safe decides on the implementation of controls.  | As noted in section 1.1 of the Guidelines, a safety case is a set of documents submitted by the energy infrastructure company to Energy Safe, providing evidence of how it will eliminate or minimise hazards and risks arising from its infrastructure as far as practicable. Accordingly, it is the responsibility of the energy infrastructure company to demonstrate that the controls it proposes to use meet this objective. In assessing a safety case, Energy Safe will need to assure itself that there are no additional controls that would further contribute to the reduction of safety risks (see section 3 – Concept of minimising hazards and risks). |
| <b>Implementation of state of knowledge</b>              | CPUE submitted that new technology provides more robust safety compliance insights but does not alter underlying risks.   | While we acknowledge that risks cannot necessarily be addressed immediately, there should be processes in place to identify them,   |

| Issue  | Stakeholder feedback   | Energy Safe response   |
|--|--|--|
|  | They suggested there should be consideration of the time over which a new state of knowledge should be implemented given new processes, systems, resources and materials.  | and plan and then take steps to address them within timeframes that are practicable for the circumstances. We have reflected this in changes to the Guidelines at section 3.2.3.   |
| <b>State of knowledge may disincentivise networks</b>          | CPUE advised that the requirement to rapidly mitigate or eliminate newly identified risks and hazards may act as a disincentive to investment in new technologies and innovation. CPUE suggested that new technologies and data identifying new/emerging risks should not be used to punish networks and that there will be a risk-cost trade off. | <p>We recognise that newly identified risks cannot always be addressed immediately. However, companies must have processes to identify, plan for, and address them within practicable timeframes. Our expectation, as outlined in the Guidelines, is that companies are proactive in expanding their understanding of risks, leveraging ongoing engagement with stakeholders, industry peers, and other relevant parties. This engagement can help companies stay informed about emerging risks, technologies, and industry best practices, ensuring they are not only reactive to new information but also forward-thinking in their approach to safety.</p> <p>It is not sufficient to reject new technology simply because it may reveal additional risks. Companies are expected to continually enhance their knowledge base and, where the technology is available and practicable, it should be adopted. We do not believe these expectations will inhibit innovation or the adoption of new technologies.</p> |
| <b>State of knowledge should not be included in Guidelines</b> | One submitter indicated that state of knowledge should be removed from the Guidelines as they are not part of the recent legislative amendments. They also considered that specifying adopted technical standards should not be mandatory.   | <p>While the term ‘state of knowledge’ is not explicitly mentioned in the Pipelines Act, the principle is relevant to determining AFAIRP, including having regard to what a person ought reasonably to know about eliminating or reducing hazards and risk, and the availability of ways to eliminate or reduce a hazard or risk.</p> <p>We have included this information in section 3.2.3 of the Guidelines.</p> <p>While it is true that state of knowledge was not impacted by the recent legislative amendments, the Guidelines are broader than the legislative amendments – we have taken this opportunity to also outline our expectations regarding safety cases generally.</p>   |
| <b>Specifying adopted technical standards</b>                  | One submitter outlined that it was not practical to specify all adopted technical standards and should not be mandatory.   | Section 3.2.3 of the Guidelines provides our expectations where standards (prescribed and not prescribed) are adopted by energy infrastructure companies. We maintain that, if energy infrastructure companies have adopted prescribed or non-prescribed technical   |

| Issue   | Stakeholder feedback  | Energy Safe response   |
|---|---|--|
|   |   | standards, they must specify these in their safety case. By doing this, energy infrastructure companies can demonstrate that they have considered and applied any available and practicable controls.  |
| <b>Combining engagement alongside AER's reset program</b> | CPUE consider that, given the level of engagement currently undertaken for the Australian Energy Regulator's regulatory reset program, it is essential that customer engagement for safety cases be conducted concurrently with that program.<br><br>AusNet outlined it undertakes multiple forms of engagement, including for the AERs network price determinations. They sought clarification on 4.3.2 of the Guidelines.                                 | Engagement can be incorporated into wider engagement conducted by energy infrastructure companies provided it adequately considers the information required in the safety case.  |
| <b>Engagement should not be mandatory</b>                 | One submitter noted that it regularly engages with landowners, occupiers, and managers, and that many of these interactions are informal, aiming to build strong relationships, maintain an up-to-date view of pipeline risks, and assess the effectiveness of controls. However, given that it is unclear how Energy Safe would take this consultation into account in its assessment, the submitter claimed that this engagement should be non-mandatory. | Energy Safe maintains that engagement and consultation is essential for ensuring a robust approach to identifying potential hazards, assessing risks and determining controls. As such, expectations regarding engagement will remain in the Guidelines.   |
| <b>Consideration of engagement by Energy Safe</b>         | CPUE and another submitter sought to understand how Energy Safe will consider stakeholder engagement in the assessment of a safety case. CPUE noted that for engagement to be genuine, customers need confidence that Energy Safe will genuinely engage in the views of customers, who value affordability, equity, reliability and resilience.   | The outcomes of an energy infrastructure company's engagement and consultation will be one of the factors we consider in our assessment. Its influence depends on the elements of the engagement (for example, the number of participants and outcomes), and as such, we cannot provide a uniform method as to how it will be considered.<br><br>In accordance with the Guidelines, it is up to energy infrastructure companies to demonstrate how engagement and consultation informed their safety case, including the identification of hazards and risks and the applied controls. |
| <b>Preferred engagement principles</b>                    | CPUE sought clarity on preferred engagement principles and reinforced that how engagement and consultation is undertaken should be up to the networks, to allow the adoption of innovative, agile and bespoke approaches that work for their customers and stakeholders.  | We agree that the approach to engagement and consultation is best determined by the energy infrastructure companies. In section 3.2.3 of the Guidelines, we have clarified that entities should meaningfully engage with stakeholders as is appropriate for their organisation and circumstances, provided it covers the   |



| Issue   | Stakeholder feedback  | Energy Safe response   |
|---|---|--|
|   |   | expectations outlined in the Guidelines and that this is demonstrated in a safety case. This may include broad and/or targeted stakeholder consultation.   |
| <b>Organic or informal engagement</b>   | AusNet and another submitter advised that engagement is often an organic or informal process in the development of a safety case, with AusNet noting this was as stakeholders are more focused on customer outcomes and costs.  | As above, energy infrastructure companies can continue to engage as is appropriate for their organisations. However, to be considered as part of a safety case assessment, engagement should be documented and included in accordance with the Guidelines.   |
| <b>Clarification on term ‘not commence to commission or operate’ a supply network</b> | CPUE sought clarification on the term ‘not commence to commission or operate’ a supply network (noted in section 2.1.1 of the Draft Guidelines) in the context of the transmission licence for Powercor. For example, whether the establishment of a new 66kV line constitute a supply network that would require acceptance of an ESMS before it can be commissioned and operated. | The specific meaning of the phrase "not commence to commission or operate a supply network" depends on several factors, including the specific terms outlined in an entity's existing safety case. Energy infrastructure companies are advised to seek their own legal advice to understand how the legislation applies to their particular situation. |

**Table A2 – Chapter 4 Submission and assessment process**

| Issue   | Stakeholder feedback   | Energy Safe response  |
|---|--|---|
| <b>Clarification sought on safety case due date</b> | Origin requested clarification on the due date of a gas safety case review. This includes whether it was based on the original submission date and revisions accepted by Energy Safe, whether it was due on or before the 5-year date, and whether it had to be accepted by Energy Safe prior to the 5-year review date. They also requested clarification around the timeframe for provisional acceptance of a safety case. | <p>Section 2.2.1 of the Guidelines states that the initial five-year review period following the commencement of these changes (16 May 2024) is calculated from the date of the most recent acceptance of an ESMS, BMP or GSC. This acceptance may have occurred under any review or revision.</p> <p>For example, if the last revision of a safety case was accepted by Energy Safe on 1 May 2023, the five-year review date is 1 May 2028. A revised safety case taking into account the outcomes of the review must be formally submitted to Energy Safe by the end of the five-year review date.</p> <p>Minor amendments have been made to the Guidelines at sections 4.3.7 and 4.5 to address the remaining feedback regarding timeframes.</p> |
| <b>‘Fast track’ approval process requested</b>      | CPUE proposed that minor or immaterial revisions be subject to a ‘fast track’ approvals process.   |   |

| Issue  | Stakeholder feedback  | Energy Safe response  |
|--|---|---|
| <b>Concerns regarding acceptance of all revisions</b>            | <p>Energy Australia expressed concern that all revisions to an approved safety case, even minor ones like employee title changes, would need to undergo the same approval process (both for the company and Energy Safe) as major amendments.</p> <p>Energy Australia also suggested that any revisions of a safety case should align with the 5-year approval process.</p> <p>APA disagreed with submitting changes to anything other than 'significant', as changes are often made that do not affect risk.</p> | <p>The requirement to submit all revisions to safety cases to Energy Safe is embedded in legislation and, as such, we have limited flexibility to depart from this requirement.</p> <p>It is important that revisions are submitted as they arise to ensure that energy infrastructure companies are complying with an accepted safety case. However, we have outlined transitional arrangements in the Guidelines, in which immaterial changes may not need to be submitted immediately during the initial regulatory cycle. Refer to section 4.7.1 of the Guidelines for further information.</p> <p>We anticipate that, following the transition period, safety cases will be drafted in a way that reduces the need for frequent revisions, thereby addressing concerns about the submission of inconsequential or insignificant updates.</p> |
| <b>Assessment timeframes are excessive</b>                       | <p>Several submitters highlighted that the potential timeframes for assessment are excessive and will have the effect of restricting improvements to safety practices and create barriers for new projects. Additionally, SEA Gas suggested that the timeframes in the Guidelines failed to consider the unprecedented rate of change in the energy industry as we move through the energy transition, and may require operators to defer improvements or be exposed to potential non-compliance.</p>             | <p>The timeframes are only a guide, based on current resourcing and approval processes, and the volume of safety cases we are required to assess. We expect that assessment timeframes will decrease over time as safety cases increasingly align with the new Guidelines. Should a safety case address our expectations and requirements upon initial submission, the assessment timeframe will likely be reduced. We also note that the AER has regulatory approvals process of similar duration, albeit with a more structured pre-submission process prior to the legislated maximum period for considering formal submissions.</p>   |
| <b>Energy Safe must assess safety cases in a timelier manner</b> | <p>Several submitters suggested that Energy Safe commit to assessing safety cases in a timelier and prescribed manner. For example, SEA proposed 21 days for minor revisions and 90 days for major revisions, and APA proposed a maximum timeframe of 6 months for complex new safety cases and suggested that the revision timeframe should be set from submission, rather than acceptance. CPUE sought greater certainty on the approval timeframes of safety cases.</p>  | <p>Revisions to account for industry changes can be submitted at any time. As outlined in section 4.7.1 of the Guidelines, if changes should occur while a safety case is under assessment, Energy Safe will expect an amended submission that includes any revision. Should an energy infrastructure company anticipate frequent changes throughout an acceptance process, it is recommended they discuss this with Energy Safe during pre-submission discussions to reach a manageable solution.</p>  |

| Issue   | Stakeholder feedback   | Energy Safe response  |
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| <b>Alignment of timeframes with other regulatory cycles</b>         | CPUE noted that timeframes for submission and assessment of safety cases means that there is misalignment with other regulatory cycles including, for example, the Australian Energy Regulator's 5-year regulatory cycle. They advised that aligning these timeframes will result in greater efficiencies, collaboration and engagement. | Altering the 5-year review dates to align them with other regulatory cycles is not possible under the current legislation. However, Energy Safe can accept revisions to safety cases outside of the 5-year review cycle, which allows us to consider proposals arising because of other regulatory submissions. This would allow the company to effectively align the regulatory cycles, although we note that subsequent 5-year review would still be required. Section 4.6 of the Guidelines has been updated to reflect this.  |
| <b>Clarification on minor and major revisions</b>                   | One submitter sought clarity around what constitutes minor and major revisions.  | The distinction between major and minor safety case revisions relates to Energy Safe's assessment timeframes, based on the scale of the revisions and the time since the last comprehensive review as described in sections 4.5 and 4.6. It is unrelated to whether revisions during the transition period are immaterial or material, which concerns the timing of when a revision must be provided to Energy Safe for acceptance (i.e. whether a revision must be submitted to Energy Safe immediately, or as soon as practicable). Section 4.7.1 of the Guidelines has been updated to reflect this. |
| <b>Relationship between major/minor and material/immaterial</b>     | CPUE queried the relationship between timeframes for major and minor revisions alongside material and immaterial changes.  |   |
| <b>Energy Safe should assist in determining material/immaterial</b> | Jemena suggested entities should contact Energy Safe to clarify material versus immaterial.  | It is the responsibility of the energy infrastructure company to assess whether a change is material or immaterial. The nature of the change will depend on entity-specific circumstances, including the entity type, infrastructure and associated risks and hazards.<br><br>If a company has concerns regarding whether a change is material or immaterial, this can be tested with Energy Safe. If a change is immaterial, then the change does not need to be accepted prior to implementation.   |
| <b>Implementation of immaterial changes</b>                         | Origin requested clarification whether immaterial changes need to be approved by Energy Safe before implementation and queried whether examples would be provided of material/immaterial changes.  |   |
| <b>Examples of material/immaterial changes</b>                      | APA thought the examples for material and immaterial changes (Table 4.2 of the Draft Guidelines) could be improved (and has the same feedback about the 'clear and ambiguous commitments' examples at Table 5.2).  | We have made amendments at section 4.7.1 of the Guidelines to clarify this. Given the differing nature of entities subject to safety cases and their circumstances, we have opted not to include more specific examples of material and immaterial changes.   |

| Issue  | Stakeholder feedback  | Energy Safe response  |
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| <b>Transitional arrangements timeframe</b>   | CPUE sought clarity on the length of the transitional period allowing for immaterial versus material consideration.   | This transitional arrangement will apply to revisions of existing safety cases, but when preparing new safety cases at the five-year review, we expect them to be drafted to minimise the need for frequent revisions. Section 4.7.1 of the Guidelines have been amended to reflect these expectations.   |
| <b>Transitional arrangements for safety cases currently under review</b>             | AusNet sought clarity on transitional arrangements for safety cases currently under review.   | Energy Safe is currently assessing safety cases in accordance with the Guidelines.<br>It is acknowledged it may take some time for energy infrastructure companies to adjust safety cases to align with the Guidelines. As such, the transitional arrangements outlined in section 4.7.1 of the Guidelines will also apply to safety cases currently undergoing an acceptance process.  |
| <b>Status of safety cases undergoing assessment</b>                                  | Origin sought clarification on the status of a safety case while another was undergoing the acceptance process.   | While a safety case is under review, the current approved version will remain in effect until the revised safety case is accepted.  |
| <b>Defences for changes made in response to other regulatory plans and/or audits</b> | One submitter raised that Energy Safe needs to consider appropriate changes that can be made to satisfy Energy Safe audits and other regulator requests.<br>They requested clarification as to whether revisions to an accepted safety case (material or not) are considered accepted for the purposes of a defence if revisions have no impact on the offence. | We understand this comment relates to changes to documents that were previously made outside the formal revision process. For example, minor changes to documents common with other regulatory plans, or 'insignificant' changes in response to Energy Safe audits that did not need to be formally submitted for acceptance.<br>Under the revised legislation, all proposed revisions to an accepted safety case (including incorporated documents) must be submitted to Energy Safe for assessment, although we have provided for transitional arrangements as outline in section 4.7.1 of the Guidelines.<br>While compliance with an accepted or provisionally accepted ESMS, BMP, or GSC serves as a defence against prosecution for breaching general duties, compliance with an accepted SMP does not offer such protection.<br>It is important to note that any revisions—material or immaterial—to an accepted safety case, including incorporated documents, are not deemed "accepted" under the legislation until they receive approval from Energy Safe. Therefore, they cannot |

| Issue  | Stakeholder feedback  | Energy Safe response   |
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|  |   | be relied upon for the defences provided in the legislation until formally accepted.   |
| <b>Differences for reviews of Safety Management Plans</b>  | <p>One submitter highlighted differences for the review of SMPs under the Pipelines Act, compared to what is in the Guidelines. Specifically, the Act requires pipeline licensees to review their SMPs and report the review to Energy Safe before the end of 5 years, while section 4.6 of the Guidelines outlines expectations for an SMP to be review.</p> <p>Another submitter stated that the potential timeframes we included in the Draft Guidelines would exacerbate the disconnect between review cycles for a combined Pipeline Safety Management Plan and Gas Safety Case.</p> | <p>A pipeline licensee is required to review its accepted SMP before the end of every five years regardless of when the last revision was accepted and report the results of the review to Energy Safe. While the Pipelines Act is silent on exactly when a review of an SMP should occur, our expectation is that pipeline licensees are to submit a revised SMP every 5 years. There is, however, some flexibility in the timing to align this review with the timing of the review of gas safety cases.</p>                           |
| <b>New revision requirements mean that safety cases will be in effect for less than five years</b> | <p>Jemena recommended that the timeframe should commence from the date of the preliminary submission, stating that the ‘in effect’ period is less than 5 years given acceptance timeframes. APA also noted that “the revision clock should be from the date of the last revision following assessment and prior to formal acceptance”.</p>  | <p>The new requirement to submit a revised safety case to Energy Safe is embedded in legislation. We note that depending on acceptance processes, this means that the safety case may be in effect for less than five years.</p>   |
| <b>Not possible to advise of changes to key positions</b>  | <p>CPUE advised that it is not possible to obtain Energy Safe acceptance for changes to key staff positions prior to them taking effect.</p>  | <p>As previously mentioned, it is up to the energy infrastructure company to assess whether changes constitute a material change that requires a revision. In Table 4.2 of the Guidelines, we have included a change to position title or name listed in the safety case as an example of an immaterial change, provided it does not otherwise have an impact on the implementation of the safety case. Following the transition period, safety cases will need to be drafted in a way that reduces the need for frequent revisions.</p> |
| <b>Not practical to incorporate business-wide documents</b>  | <p>One submitter considers it impractical to submit incorporated documents, which are business wide documents, for revision assessment.</p>   | <p>Revisions of incorporated documents, which form part of the safety case, are considered a change to the safety case. As such, they are subject to the revision principles which have been clarified at section 5.3.1 of the Guidelines.</p>   |
| <b>Documents submitted for multiple plans</b>  | <p>One submitter raised concerns regarding documents submitted for multiple plans (e.g., Environment Management</p>   | <p>We recognise that managing revisions for documents submitted to multiple plans and regulators can be complex. However, it is important to note that the requirement to submit all revisions of</p>  |

| Issue  | Stakeholder feedback   | Energy Safe response  |
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|  | Plan) as requested changes from multiple regulators can lead to revisions of each and repeat the cycle.  | safety cases to Energy Safe is mandated by legislation, and there is limited flexibility to deviate from this requirement.  |
| <b>Providing changes while a safety case is under assessment is not workable</b> | CPUE sought a more workable solution regarding submitting further changes during the safety case acceptance process. CPUE outlined that submitting revisions while another is under assessment is onerous, and provide the example of connecting transmission customers, as they receive multiple connection requests. | Energy Safe maintains that this is the most appropriate process for the guidelines. Should an energy infrastructure company anticipate frequent changes throughout an acceptance process, it is recommended they discuss this with Energy Safe during pre-submission discussions to reach a manageable solution.  |
| <b>Format of submissions</b>   | Origin advised that they cannot provide editable format or marked up version containing internal discussions or sensitive information, noting this is not a legislative requirement.   | Editable versions of safety cases are required for Energy Safe's convenience in developing our safety case assessment materials. The non-editable version (.pdf) will be regarded as the official safety case, as clarified in section 4.2 of the Guidelines. The marked-up version should only identify changes made to the safety case since the last acceptance – any internal discussions or sensitive information should be removed prior to submission to Energy Safe.                                  |
| <b>Revisions for changes to references to procedures</b>                         | AusNet sought clarity whether addition or removal of reference to internal procedures or other documents are not considered a change to the accepted safety case requiring a revision.   | <p>If an addition or removal of a reference document (defined in section 5.3.2 of the Guidelines) results in a change to the accepted safety case, it is a revision that must be accepted by Energy Safe (as per section 4.7 of the Guidelines). A change in the reference document, if it is not an incorporated document, is not considered a revision.</p> <p>We note the distinction between material and immaterial revisions that will help companies manage revisions during the transition phase.</p> |
| <b>Changes to referenced documents</b>   | CPUE sought clarity as to whether changes to referenced or incorporated documents need to be resubmitted.  | Referenced documents do not form part of an accepted safety case, and as such, changes to them may not require a revision. However, this is largely dependent on the nature of the change and any impact it has on the hazards, risks and controls in the accepted safety case. In the first instance, we expect energy infrastructure companies to assess whether any changes to documents may instigate a revision. We have outlined this in section 5.3.2.   |

| Issue   | Stakeholder feedback   | Energy Safe response   |
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| <b>Third-party audits upon submission</b>                             | One submitter sought clarity as to whether a third-party audit is likely to be required upon submission of a safety case.  | <p>Incorporated documents form part of the safety case and are subject to the revision principles outlined in section 4.7.</p> <p>Section 4.3.3 of the guidelines outline that Energy Safe may need additional information to assess a safety case, which may be obtained via an audit. Determining whether an audit is required will depend on:</p> <ul style="list-style-type: none"> <li>• the information contained within a safety case submission, including incorporated and referenced documents,</li> <li>• the company’s safety and compliance history, and</li> <li>• any concerns Energy Safe may have.</li> </ul> <p>Indications as to whether a third-party audit is required may be provided during pre-submission discussions.</p>   |
| <b>The requirements will lead to a lengthy document and revisions</b> | One submitter asserted that requiring detailed descriptions of infrastructure management within the safety case, without referencing additional documents, could result in an overly lengthy document. Any updates to management procedures would require a revision of the safety case itself, rather than simply updating a supporting document. | It is acknowledged, as per 5.4.3 of the Guidelines, that there needs to be a balance between providing a readable document that contains useful information and including so much detail that the document becomes quickly out of date and/or requires frequent revisions. It is also acknowledged that reaching this balance may be complex for some entities, particularly if past practices involved including all information in a submitted safety case. To account for this, Energy Safe has provided transitional arrangements to give entities time to assess their safety cases and adjust to these expectations. Energy infrastructure companies are also encouraged to engage early in pre-submission discussions, particularly if there is uncertainty regarding what a submission should include. |

**Table A3 – Chapter 5 Structure and content of safety cases**

| Issue  | Stakeholder feedback  | Energy Safe response  |
|--|---|---|
| <b>Necessity and practicality of CEO approval</b>        | <p>Ausnet and another submitter queried whether CEO approval is necessary for safety case reviews.</p> <p>Ausnet raised that, under the current arrangements, Energy Safe accepts submissions not formally signed by the CEO to allow for amendments during the assessment process.</p>   | <p>We consider that it remains appropriate for all new safety cases and revisions to accepted safety cases to be reviewed by the energy infrastructure company’s operational executives and approved for submission by the chief executive and governing board.</p> <p>We acknowledge this may require review and signing upon initial submission, and should amendments be made, again on finalisation. However, this will help ensure that the information and commitments in the safety case receive attention and agreement at the highest levels of the company.</p> |
| <b>Level of detail on assets and technical standards</b> | <p>CPUE also submitted that the level of detail being sought on assets and technical standards (as per section 5.2.3 of the Guidelines) appears misaligned to a safety case regime that is intended to be high level and outcomes based. An example provided was the burden of providing and receiving technical information for 900,000 poles and associated equipment within the network.</p> <p>Another submitter also queried whether a summary of technical standards and industry codes was required.</p> | <p>It is not our intent to require detailed or lengthy technical information for every asset. Taking the network poles and associated equipment example, we would expect the safety case to demonstrate how upgrades to these assets are managed to achieve safety outcomes and how technical standards generally apply. We are looking for information on how the risks and hazards associated with infrastructure are managed, not the specifics of every single asset.</p>   |
| <b>Flexibility in structure and content</b>              | <p>CPUE note that while they supported the proposed criteria (i.e. the content of the safety case outlined in the Draft Guidelines), “we believe the format and structure of safety case remain flexible as they form an integral part of each network’s operations. To be effective they need to be structured in a way that complements how a network operates.”</p>  | <p>We acknowledge that it may be beneficial for companies to structure their safety case so that it aligns with their operations, each of the key elements of the safety case must be clear and easily identifiable. This results in more timely assessment of safety cases. We have made a minor amendment to section 5.2 of the Draft Guidelines to reflect this.</p>   |
| <b>Bow tie diagrams should be included</b>               | <p>APA suggested using bow tie diagrams to demonstrate control measures and control effectiveness.</p>  | <p>Bow tie diagrams are one commonly used method to demonstrate control measures, outcomes and effectiveness. Energy infrastructure companies may use this method or another method that best suits their circumstances. We have clarified this with an amendment to section 5.2.4 of the Guidelines that states that bow-tie diagrams are an acceptable tool to demonstrate risk assessments.</p>  |



| Issue   | Stakeholder feedback   | Energy Safe response   |
|---|--|--|
| <b>External publication of safety cases</b>                                     | AusNet noted that its safety cases are intended for internal personnel, delivery partners, and Energy Safe, not the public. Making them public could reduce their operational detail and diminish their value for internal and partner use.  | <p>We note AusNet’s comment about safety cases being traditionally internal-facing documents. However, the objective of safety cases is to satisfy Energy Safe that the entity is meeting its regulatory obligations. As such, we consider it is valuable that they be drafted in plain English, without unnecessary jargon.</p> <p>If we intend to make all or part of a safety case public, such as for consultation purposes, we will discuss this with the company and may seek a suitably redacted version for publication.</p>   |
| <b>Disproportionality assessment is not covered in formal safety assessment</b> | AusNet noted that the detailed analysis of disproportionality is not covered in its formal safety assessment processes, rather it 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.   | We have provided additional guidance on determining whether a measure is ‘grossly disproportionate’ in section 3.2.1 of the Guidelines.  |
| <b>Examples regarding clear and ambiguous comments</b>                          | <p>APA made comments on table 5.2 includes particularly poor examples in respect of the guidance around when there is “too much information v not enough information”. APA inspection commitments, stating that companies generally have a maintenance schedule and recording system.</p> <p>APA suggested that “rather than including detailed information directly in the safety case, it is more practical to reference these procedures, as this avoids the need to constantly update the safety case itself.”</p> | <p>Rather than provide example for the appropriate level of information in the safety case, our intention with Table 5.2 of the Guidelines is to provide an example of clear and unambiguous commitments (i.e. we will inspect...) as opposed to ambiguous commitments (i.e. we will aim to inspect...). Accordingly, we have not changed this table.</p> <p>We agree that, depending on the context, it may be appropriate to include processes used in referenced documents rather than incorporating them into the safety cases. Information on incorporated documents and supporting submissions is included in the Guidelines at section 5.3.</p> |
| <b>Definitions on KPIs and performance standards requested</b>                  | AusNet supported the inclusion of ‘performance standards/key performance indicators’ as described within Section 5.2.5 ‘Safety management system’. However, it noted that “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.”   | We are open to companies structuring its safety case how it sees fit, noting however that each of the key elements of the safety case must be clear and easily identifiable. If the detail on ‘performance standards/key performance indicators’ is included in the Safety Management System, then it can be cross referenced in other sections.   |

| Issue   | Stakeholder feedback   | Energy Safe response   |
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| <b>Level of detail requested is impractical</b> | <p>One submitter stated that requiring the proposed level of detail in the emergency response plan, as well as safety management system, is impractical. They have an emergency response group capable of handling various incidents and hundreds of standard operating procedures. Additionally, training information relating to the safety management system is included in a separate document.</p> <p>The submitter also noted that providing justification for not implementing every potential control, particularly for older equipment, would be impractical.</p> | <p>In section 5.2.6 of the Guidelines, Energy Safe has outlined what we expect to be provided as part of an emergency response plan. This kind of information is important so that Energy Safe can ensure that there are plans in place to respond to emergencies and ensure safety is upheld. As such we have not made any amendments to section 5.2.6 of the Guidelines.</p> <p>It is important that all potential controls are considered to determine whether the most effective control, or combination of controls, will be implemented to eliminate or minimise a risk or hazard as far as practicable.</p> |

**Table A4 – Other feedback from submitters regarding safety cases**

| Issue  | Stakeholder feedback  | Energy Safe response   |
|--|---|--|
| <b>Minimum detail required in safety cases</b>   | SEA Gas requested examples of the minimum level of detail required in the safety case, and detail of any changes that would be acceptable without a revision to a safety case.  | The Guidelines are intended to be general and high-level, outlining a common approach across all safety cases. The level of detail to be included in a safety case will depend on the particular entity, type of infrastructure and associated risks and hazards.  |
| <b>Areas of importance for specific entities</b> | AGL requested clarification on any areas of emphasis or criticality with regard to the structure and content of safety cases, for example, emergency response plans for gas retailers.  | We have concluded that the Guidelines should not apply to gas retail safety cases, which will be covered in separate guidance for the gas industry. This has been outlined in section 1 summary of the Guidelines.   |
| <b>Other safety case guidance</b>                | <p>AGL requested separate, distinct guidance that is relevant and reflective of the operations of different types of entities, beyond electricity, gas and pipelines. They also requested better practice examples for obligated entities relevant to their operations.</p> <p>Origin also sought information regarding declaration and exemption of gas operators. Specifically, how some gas operators are exempt from the requirements for a safety case, and what the thresholds are to determine which gas operators are designated a gas company.</p> | <p>It is understood that the request for distinct guidance, and declaration/exemption information, relates to safety case requirements for gas retailers. We agree that the Energy Infrastructure Safety Case Guidelines should not apply to gas retail safety cases, which will be covered in separate guidance for the gas industry. Feedback regarding examples will be considered to inform this separate guidance. This has been outlined in the summary of the Guidelines.</p> <p>Regarding the framework for declaring gas operators under section 5 of the Gas Safety Act, as well as the exemptions that can apply,</p> |

| Issue | Stakeholder feedback | Energy Safe response   |
|-------|----------------------|--|
|       |                      | this is a matter that will be covered by the industry-specific guidance. |