



energy safe  
VICTORIA



# 2022–25

## CORPORATE PLAN



This report has been endorsed by the Victorian Energy Safety Commission.

Authorised and published by the Victorian Government, Melbourne.

July 2022

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ISSN 2653-5084 (Online)

ISSN 2653-5076 (Print)

This document is also available online at [www.esv.vic.gov.au](http://www.esv.vic.gov.au)

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# About us

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 are safe and meet community expectations.



# About our plan

Energy Safe Victoria's *Corporate Plan 2022–2025* comes at a pivotal time. The organisation is amidst a transformation moving from an out-dated model of working with industry to achieve voluntary compliance, to a more strategic use of our regulatory powers and levers to hold industry to account for their actions.

Where industry falls short of our expectations, we will take action that ensures duty holders comply with their obligations. This approach will keep Victorian communities safer from hazards caused by electrical, gas and pipeline assets, especially bushfire.

As part of this transformation in our regulatory approach, there are obligations on us as well. We will provide better support to ensure industry understand their responsibilities, while continuing to educate Victorians on key energy safety issues. We will do this by enhancing our regulatory approach, evolving our culture and improving our information technology systems.

To achieve this, the ESV Commission has set the organisational goal of becoming a *safety first, data driven and customer centric* regulator. We know this strategic direction works, in fact, it is safety regulation best practice.

## Safety first, data driven, customer centric



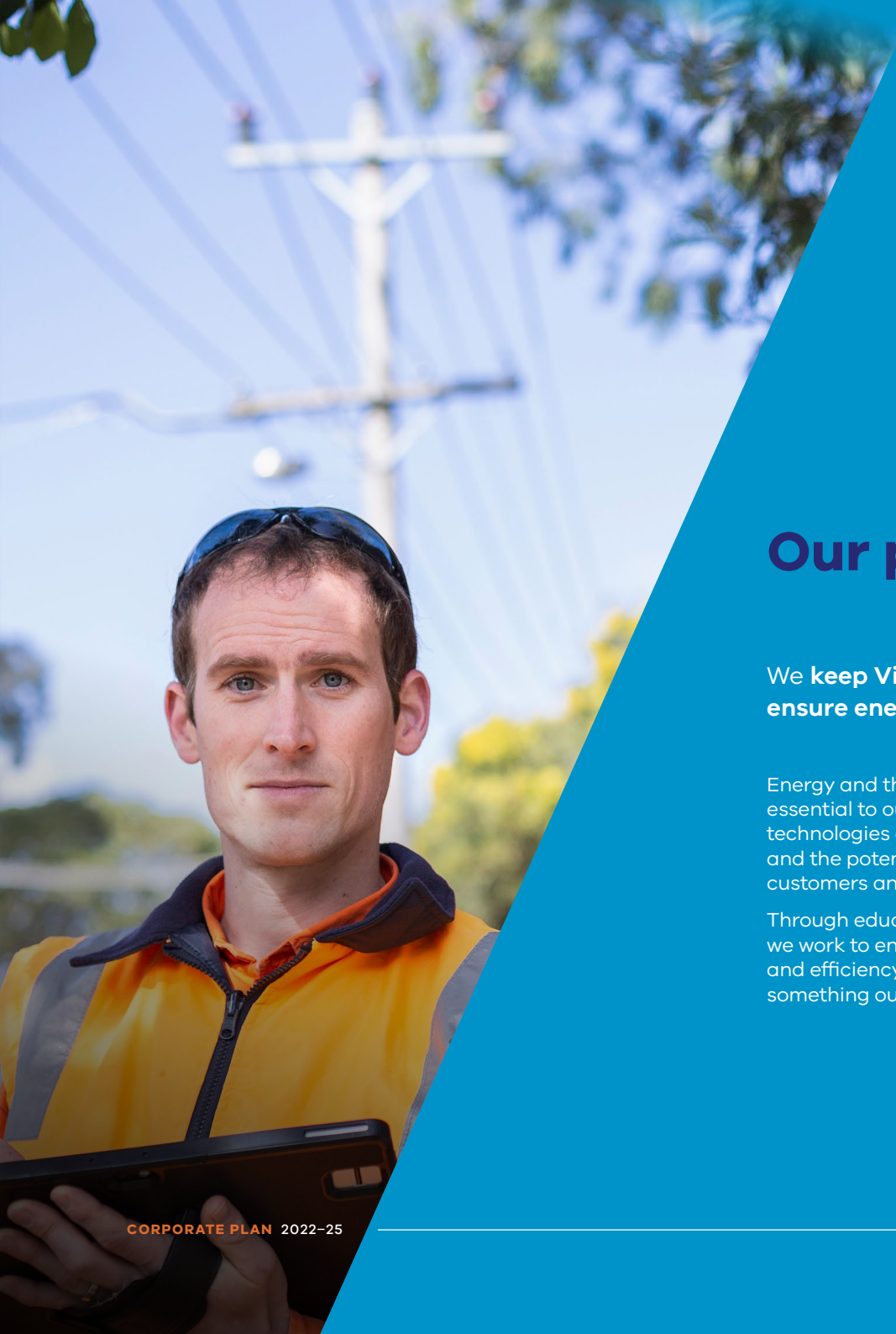
**Safety first** is being proactive, and preventing an unsafe situation that could result in a fatality and injury or fire or explosion.



**Data driven** is using data to prioritise our effort on where we can have the biggest impact. We need to take a risk-based approach to where we put our resources as well as how we intervene.



**Customer centric** puts the regulated entity or the community at the centre of everything that we do. Through stakeholder engagement, we can tailor our interventions, products and services to meet their needs.



## 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 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.

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

# Our values

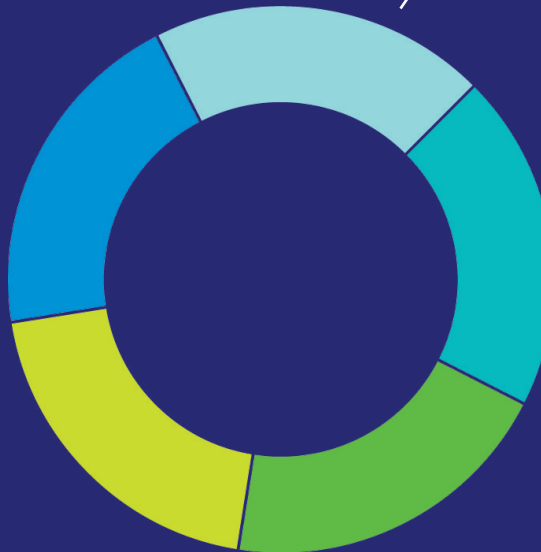
We expect our people to express our values in the day-to-day actions, decisions and interactions with others.

## 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.

## 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.



## 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.



# Our customer experiences promises

## Act professionally

By conducting ourselves professionally and with integrity we build confidence, trust and respect to uphold a high standard of safety.

## Understand Our Customers

By listening and being empathetic to where our diverse customers are coming from, we communicate in a way they understand and we achieve better safety outcomes.

## Be Clear and Consistent

Being clear and consistent means we are seen as one ESV. Doing this will ensure people know what to expect from us, our processes and how to make better safety decisions.

## Make it Effective

By being proactive to provide what is needed, when it's needed, we ensure that our customers have connected and seamless experiences that meet their needs and our safety objectives.

# Strategic priorities

Strategic priority	Why this is important?	Target
<b>We strengthen and adapt our compliance and enforcement approach to energy generation, transmission, distribution, and use, including emerging energy solutions and technologies.</b>	<p>Changes occurring in the energy industry may increase safety risks to the community in both renewable and non-renewable energy sectors.</p> <p>Strengthened compliance and enforcement approaches by ESV improves compliance, and thereby safety outcomes.</p>	<p>Community safety outcome targets:</p> <ul style="list-style-type: none"> <li>• zero deaths and serious injuries (including carbon monoxide (CO))</li> <li>• Number of ground fire incidents (bushfire prevention) less than seasonally adjusted forecasts (based on historical data).</li> </ul>
<b>We listen to our stakeholders to inform our regulatory approach.</b>	<p>It is important to hear from our stakeholders and understand their perceptions about interactions with us to enable us to improve and target our approach.</p> <p>We assess our performance through an independent stakeholder insights survey building on baseline data previously collected.</p>	<p>Survey of regulated entities targets include:</p> <ul style="list-style-type: none"> <li>• increasing overall effectiveness as a regulator, from a 2021–22 baseline of 71.6% to target 75.2%</li> <li>• increasing customer experience satisfaction from a 2021–22 baseline of 73.2% to target 76.86%.</li> </ul>
<b>We make it easier for our customers to interact with us.</b>	<p>We know we need to lift our customer experience to support and improve safety understanding and compliance.</p> <p>We will assess our performance through an independent stakeholder insights survey of community members to develop baseline data.</p>	<p>Survey of community members to assess and measure baseline understanding of the:</p> <ul style="list-style-type: none"> <li>• level of community familiarity with ESV's role in energy safety</li> <li>• community perceptions of ESV's performance in fulfilling its statutory duties and addressing community concerns.</li> </ul>
<b>We support our people to deliver public value.</b>	<p>Engaged, committed and capable employees are essential for us to be able to deliver public value through implementing our strategies and business plan.</p> <p>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 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>Key measures for employee engagement include:</p> <ul style="list-style-type: none"> <li>• improving on employee participation of the People Matter Survey from a 2021–22 score of 77% to target 81%</li> <li>• improving on People Matter Survey engagement score, from a 2021–22 score of 71% to target 75%</li> <li>• zero serious injuries, illnesses or fatalities of ESV employees.</li> </ul> <p>Maintain key financial viability ratios:</p> <ul style="list-style-type: none"> <li>• current ratio is <math>\geq 1.0</math></li> <li>• assets to liability ratio is <math>\geq 1.0</math>.</li> </ul>





## Key initiatives:



**Review our operating model** to ensure our people, functions and systems are aligned and sustainable for regulating future energy safety needs.



**Implement a new approach and industry guidance** for acceptance of safety cases and electricity safety management schemes (ESMS) to uplift expectations around the important role these safety systems play in mitigating risks.



**Continue prioritising bushfire prevention and mitigation**, investigating the electricity distribution pole management regimes and monitoring implementation of the rapid earth fault current limiter (REFCL) rollout.



**Implement new risk-based methodology** for contracted auditing services of certificates of electrical safety (COES) to allow us to support targeted compliance guidance for licensed electrical workers and take enforcement action to address non-compliances and poor practices.



**Actively engage with government initiatives** (renewables and hydrogen), the Department of Environment, Land, Water and Planning (DELWP), other regulators, agencies and relevant Standards committees.



**Develop strategies for ensuring safety** for new and renewable energy initiatives – battery energy storage systems and use of hydrogen as a fuel gas



# Our compliance and enforcement priorities

We prepare annual compliance and enforcement priorities for areas of risk that require specific focus by the regulated and the regulator in ongoing effort to reduce harm.

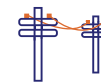
There are priorities that focus on education and guidance to support and enable compliance while others focus on the enforcement actions we will take in response to unsafe or non-compliant findings, and these priorities are more likely to have identified targets. The priorities have been developed following consultation with the relevant advisory committees. The table below provides details about each priority.

## Compliance and enforcement priorities 2022–23



### Vegetation clearance around power lines

Vegetation that makes contact with power lines can start fires, cause power outages and could result in electrocutions. It is considered a state-significant risk as it has the potential to start devastating bushfires.



### Power line maintenance

Power lines and associated asset failures in high winds or hot weather can lead to fires or bushfires with significant consequences for people and property. Poorly maintained power lines may result in interruptions or outages to electricity supply.



### Renewable energy generation (utility scale)

The evolution and increasing introduction of electricity renewable energy solutions, including complex installations and network connections, give rise to new and unforeseen risks which if not managed may result in an increase in harms to people and/or property.



### Hydrogen readiness

In support of the Victorian Government Climate Change Strategy and the National Hydrogen Strategy, ESV will be implementing measures and undertaking activities to ensure the decarbonisation of the Victorian gas network is achieved without compromise to public safety.



### Battery energy storage systems (utility scale)

The increased uptake of battery energy storage systems means requires developing safety insights and ongoing regulatory vigilance.

### Energy network strikes and encroachment



#### Gas and pipeline networks

Third party asset strikes are the most common cause of pipeline and gas network damage and loss of containment, which can lead to serious injury.



#### Electricity networks

Third party clearance breaches and electricity asset strikes are the most common cause of damage to the electricity network, and can lead to damage to property and equipment, serious injury and death.



#### Licensed electrical worker compliance

Maintaining compliance among licensed electrical workers and licensed electrical inspectors ensures the safety of the Victorian community and electrical workers.



### Gas (Type A) and Electrical Appliance Safety

Increasing online sales and sources for gas and electrical products, coupled with safety risks associated with ongoing changes in design and manufacturing, calls for continuing focus for the coming financial year.



### New energy infrastructure

The Victorian Government is investing in electricity network infrastructure to support the development of six Renewable Energy Zones (REZs), with \$540 million allocated over four years in the 2020-21 Victorian State Budget.

# Business plan activities (highlights)



The business plan describes the key regulatory functions and enabling organisational functions, the value of the function and key measures including targets, outputs or activity reports across ESV.

**Note:** Activities described in *Strategic priorities and measures* and the *Compliance and enforcement priority* activities are not duplicated in the table below

## Key permission functions: acceptance and approvals – electricity, gas and pipeline infrastructure

- Assess 20 submitted bushfire mitigation plans for acceptance
- Assess submitted electricity safety management schemes for acceptance.
- Assess submitted gas safety cases and pipeline safety management plans for acceptance.
- Implement new industry wide processes for land development around pipelines, including ESV as a referral authority.
- Register cathodic protection systems.

## Regulatory monitoring: auditing and inspecting for gas, electricity and pipeline infrastructure safety

- Work with industry to implement the eight recommendations of the REFCL functional performance review.
- Inspect gas company pipelines including new installations, replacements, and repair works.
- Audit accepted electricity safety management schemes (ESMS)/voluntary ESMS.

## Education and supporting compliance

- Run public awareness campaigns
- Engage with community through partnerships with community organisations
- Educate electrical and gas industry participants through training events, such as CPD for electrical licence holders.

## Incident response and investigations

- Undertake investigations into energy safety incidents and reports of safety concerns.
- Investigate reports of corrosion on underground and underwater metallic structures.

## Key enabling corporate functions

- Provide leadership and portfolio management and support for ESV's Transformation Program

# Approved fees and levies for 2022–23

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 fee

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

Type	Fee 2022–23 (\$)
Electrical contractor application (42.52 fee units)	<b>650.13</b>
Electrical contractor renewal (20.42 fee units)	<b>312.22</b>
Licence application – Electrical worker (27.3 fee units)	<b>417.42</b>
Licence application – Electrical inspector and restricted electrical worker (42.52 fee units)	<b>650.13</b>
Licence application – Supervised worker licence (issued up to 3 years) (27.3 fee units)	<b>250.45</b>
Licence renewal – Electrical worker (13.65 fee units)	<b>208.70</b>
Licence renewal – Electrical contractor (20.42 fee units)	<b>312.22</b>
Licence renewal – Electrical inspector and restricted electrical worker (20.42 fee units)	<b>312.22</b>
Licence application – Switchgear worker (27.3 fee units)	<b>417.42</b>
Licence renewal – Switchgear worker (13.65 fee units)	<b>208.70</b>

### Fees payable under the Electricity Safety (General) Regulations 2019

Type	Fee 2022–23 (\$)
Electronic Certificate of Electrical Safety form for prescribed electrical work (2.2 fee units)	<b>33.64</b>
Paper Certificate of Electrical Safety form for prescribed electrical work (2.4 fee units)	<b>36.70</b>
Periodic Certificate of Electrical Safety for relating to non-prescribed electrical work (55.6 fee units)	<b>850.12</b>
Any other electronic Certificate of Electrical Safety	<b>8.10*</b>
Any other paper Certificate of Electrical Safety	<b>8.90*</b>
Application for exemption under Installation Safety Regulation 401 (5.99 fee units)#	<b>91.59</b>

\* 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.

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

Type	Fee 2022–23 (\$)
Application for a new certificate of suitability (60.0 fee units)	<b>917.40</b>
Application for a new certificate of suitability for equipment previously certified by Energy Safe Victoria (40.0 fee units)	<b>611.60</b>
Application for a variation of a certificate of suitability – change of name or model (17.0 fee units)	<b>259.93</b>
Application for renewal of certificate of suitability (17.0 fee units)	<b>259.93</b>
Application for renewal of certificate or Application for transfer of certificate of suitability (17.0 fee units)	<b>259.93</b>
Application for new certificate of conformity for electrical devices and luminaires (34.0 fee units)	<b>519.86</b>
Application for new certificate of conformity for electrical equipment (other than an electrical devices or luminaires) (51.0 fee units)	<b>779.79</b>
Application for a new certificate of conformity for electrical devices and luminaires previously certified by Energy Safe Victoria (23.0 fee units)	<b>351.67</b>
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)	<b>519.86</b>
Application for a variation of a certificate of conformity – change of name or model (17.0 fee units)	<b>259.93</b>

Type	Fee 2022–23 (\$)
Application for renewal of certificate of conformity (17.0 fee units)	<b>259.93</b>
Application for transfer of certificate of conformity (17.0 fee units)	<b>259.93</b>

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

Type	Fee 2022–23 (\$)
Registration fee for an impressed current cathodic protection system with a total output up to and including 250 milliamperes (8.77 fee units)	<b>134.09</b>
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)	<b>335.62</b>
Registration fee for an impressed current or galvanic anode cathodic protection system with a total output over 2 amperes (49.57 fee units)	<b>757.93</b>

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

Type	Fee 2022–23 (\$)
Voluntary electricity safety management scheme (965 fee units per annum)	<b>14,754.85</b>

## 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 2022–23 (\$)
Voluntary safety case (ss52, 53, 54 Gas Safety Act 1997) (1007 fee units per annum)	<b>15,397.03</b>

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 2022–23 (\$)
Acceptance of appliance (s69 Gas Safety Act 1997) (51.0 fee units)	<b>779.79</b>
Application for exemption from standards (s72(3) Gas Safety Act 1997) (8.03 fee units)	<b>122.78</b>

## Levies

### Electricity levies

Determinations made by the Minister for Energy, Environment and Climate Change 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 2022–23 (\$)
Jemena	1,662,518.38
Citipower Pty	1,570,188.23
Powercor Australia	3,912,953.22
SPI Electricity Pty Ltd/ AusNet Services	3,520,691.68
United Energy Distribution Pty Ltd/ Alinta	3,186,525.67
<b>Total</b>	<b>13,852,877.18</b>

## Gas levies – natural gas pipeline companies

Determinations made by the Minister for Energy, Environment and Climate Change 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 2022–23 (\$)
<b>Natural gas distribution companies</b>	Fixed fee		<b>12,110.66</b>
	Natural gas distribution pipeline owned in Victoria		<b>52.28 per kilometre</b>
	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	<b>6.51 per customer</b>
<b>Natural gas transmission companies</b>	Fixed fee		<b>12,110.66</b>
	Natural gas transmission pipeline owned in Victoria	APA SEA Gas (Mortlake) Pty Ltd & 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)	<b>246.41 per kilometre</b>



## Gas levies – other gas entities

Determinations made by the Minister for Energy, Environment and Climate Change 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 2022–23 (\$)
<b>LP or landfill company with direct or indirect customers of unreticulated LP Gas</b>	2 to 1,000		<b>3,772.41</b>
	1,001 to 5,000.		<b>7,519.14</b>
	5,001 to 10,000		<b>18,834.60</b>
	10,001 to 20,000	Origin Energy LPG	<b>37,645.66</b>
	20,001 to 50,000	Supagas	<b>75,265.71</b>
	Over 50,000	Elgas Pty Ltd	<b>188,152.11</b>
<b>LP or landfill gas company that operates a reticulated LP gas system or systems</b>	Service fee	Energy Developments Ltd	<b>7,153.89</b>
<b>Other declared gas companies (reticulated LPG)</b>	Service fee		<b>7,153.89</b>
	2 to 1,000	Indigo Shire Council (Mt Buller) Mt Hotham Alpine Resort Westernport Water Elgas Ltd	<b>3,772.41</b>
	1,001 to 5,000	Elgas Ltd (Victorian LP Gas Reticulation Systems)	<b>7,519.14</b>
	5,001 to 10,000		<b>18,834.60</b>
	10,001 to 20,000		<b>37,645.66</b>
	20,001 to 50,000		<b>75,265.71</b>
	Over 50,000		<b>188,152.11</b>

## Gas levies – non-gas pipelines

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

Company	Type	Name	Levy 2022–23 (\$)
<b>Licensed pipeline companies</b>	Fixed fee		<b>12,110.66</b>
	Licensed pipeline owned in Victoria	Air Liquide Australia Ltd Australasian Solvents & Chemicals Beach Energy Beach Energy (Bass Gas) BOC Ltd BP Australia Pty Ltd Cooper Energy Pty Ltd Cooper Energy Pty Ltd (Minerva gas plant) 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)	<b>716.10 per kilometre</b>



Electrical Licence Holders - CPD is here!

Image: ESV CEO Leanne Hughson with electrical apprentices at the launch of our Continuing Professional Development program for electricians

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