

Statement of Reasons

Electricity Safety (Registration and Licensing) Regulations 2020

Preamble

The exposure draft Electricity Safety (Registration and Licensing) Regulations and the associated regulatory impact statement (RIS) were released for formal public consultation between the 25 August and the 25 September 2020. There were 28 submissions received, in response to the RIS.

Energy Safe Victoria (ESV) convened five public information sessions in September 2020 as part of public consultation. COVID-19 restrictions required consultation through webinar rather than a traditional face-to-face setting. A total of 687 people registered, and 443 registrants attended the session they had registered for. A significant proportion of regional Victorians participated, and the format of the subject matter experts responding in real time to facilitated questions resulted in most questions being addressed within the one hour session. The questions and answers provided further information for consideration by ESV.

There was widespread acknowledgement of the need for reform, to further improve the safety of electrical work, including by strengthening the workforce's skills and licensing requirements. Most submissions focused on the proposals for;

- continuing professional development (CPD) for licensed electrical workers
- licensing of lineworkers
- proposed licence requirements for extra low voltage (ELV) battery storage and generator systems.

The introduction of a CPD requirement was generally supported. There was a diversity of views about the specific design of the requirement, particularly in relation to hours, scope and delivery. A number of submissions from representatives that conduct in-house training sought exemption from CPD or some form of CPD recognition for this training.

Several major companies raised concerns with the proposed licensing of lineworkers. The concerns included:

- requiring lineworkers to undergo significant training/retraining to obtain a Certificate III Electrical Supply Industry (ESI) traction,
- the scope of cable jointing activities,
- requiring a lineworker to undertake activities traditionally carried out by cable haulers or civil contractors
- the costs and resource constraints associated with this reform.

Possible unintended consequences were highlighted in relation to requiring a licensed electrician to work on ELV battery systems (>12V direct current and 1 Kilowatt hour). It was suggested that telecommunications and other battery systems could be inadvertently caught up in this proposal.

Many of the comments provided helpful points of clarification or practical suggestions for improvement or implementation. ESV has recommended that the Electricity Safety (Registration and Licensing Regulations) 2020 be made with several minor amendments to the exposure draft, the purpose of which were to improve the clarity, operation and practicality of the proposed regulations.

The final response takes into consideration a range of stakeholder concerns and views, sometimes divergent, and seeks to balance the priorities of electrical safety and regulatory burden. Implementation of the regulations will be complemented by ongoing stakeholder engagement and development of policy guidance.

The following tables set out the key issues and responses according to the Parts of the Regulations.

Part 1: Preliminary

The scope of definition for electricity generation system and battery system

Issue	<p>Concerns relate to unintended licensing requirements for work not previously required to be licensed and without identified safety concerns.</p> <ul style="list-style-type: none"> • There has been telecommunication related work at extra low voltage or equivalent energy source levels performed safely without requiring an electrician's licence and based on safety systems for >15 years. Feedback seeks clarification for requirements, and recommends that telecommunications workers be exempt from licensing requirements with respect to work on ELV systems • Work on some types of small battery systems such as those that provide back-up power to smoke alarms and communication systems should not be licensed electrical work.
Response	<p>ESV has proposed changes to the Regulations to limit the requirement for a licence to work carried out on battery energy storage systems that are within the scope of AS/NZS 5139.</p> <p>With respect to electrical work carried out on battery storage systems and generation systems associated with the telecommunications network of a carrier, ESV intends to continue an exemption in the current and proposed Order in Council that exempts electrical installation work carried out on telecommunications networks from licencing requirements.</p> <p>This will enable telecommunications related activities at any voltage and work on any related battery or generation systems to be continued without the requirement for an electrician's licence.</p>

Part 2: Electrical contracting

Possible consequences from removing the requirement for successful completion of a training course for business management and administration (or experience)

Issue	<p>Concern was expressed that removal of business training requirements for registered electrical contractors will increase poor business practices, insolvencies, and ultimately lead to a detrimental effect on safety.</p> <p>Concerns were also raised about removal of the requirement to hold public liability insurance (PLI) of \$5 million (not proposed).</p>
Response	<p>Following stakeholder feedback ESV has retained the qualification requirements (Regulation 10) that a person responsible for business management and administration of the electrical contracting work has successfully completed a course of training about establishing an electrical contracting business or equivalent. ESV recognises that businesses that have good business practices also tend to have good safety performance.</p> <p>ESV intended to retain the requirements to hold PLI. The current arrangements will continue.</p>

Part 3: Electrical work

Competency assessments for licence application (after five years)

Issue	Internal review by ESV identified concerns that an electrical worker may complete the practical and/or theory assessments required for initial licence application, and then fail to apply for their licence within five years. Also included are licensed electrical workers who have allowed their licence to expire for a period greater than five years. In both cases this leads to a loss of skills currency and capability.
Response	ESV has included requirements that applicants for a new, or renewal (only if expired for more than 5 years), electrical worker’s licence must have successfully completed all the required licence assessments within five years of the date of application. This will ensure currency and skills capability of the licensed person.

Definitions of specified classes of electrical linework require further clarity

Issue	<p>Stakeholders expressed varied and divergent views about the language, definition and what should constitute linework for the specified classes of linework:</p> <ul style="list-style-type: none"> • electrical linework carried out on a major electricity company distribution network (class D) • electrical linework carried out on a major electricity company transmission supply network (class T) • electrical linework carried out on traction supply network (class R), • electrical linework carried out on traction supply network under supervision (class R(S); and • electrical linework carried out on a MEC distribution supply network in relation to cable jointing (class C)
Response	<p>Five classes of linework were included and defined in the exposure draft of the Regulations (Schedule 3). This followed amendment to the Electricity Safety Act 1998 in February 2020 that enabled the Regulations to be able to include licensing of linework.</p> <p>The definitions are primarily intended to scope the electrical work that must be carried out by a qualified lineworker without limiting the nature of work of the worker may undertake in their role.</p> <p>The key stakeholders directly affected by linework provided significant input in to the definitions before, during and after formal public consultation.</p> <p>Each specified class of linework was reviewed and updated. This has improved the clarity, common understanding of terminology and focus on electrical safety and electrical work.</p> <p>ESV did not resolve the divergent views with respect to the electrical safety and regulation of underground cable work in underground residential distribution (URD) estates that were raised during June/July 2020 by industry stakeholders. ESV has initiated further work to identify the scope and nature of issues, engage with stakeholders, and collect views and data to inform an appropriate regulatory response.</p> <p>ESV also recognises there are different levels of electrical safety risk and technical competency associated with greenfield (pre-commissioning) underground cable work compared with overhead electrical line work, and also that there must be consultation with other key stakeholders, such as, civil contractors and developers about the electrical safety work practices on new estates.</p> <p>There were no amendments to the required qualifications in electrical linework for a class of lineworker licence.</p>

Additional classes of electrical linework for specific workers or activity

<p>Issue</p>	<p>During industry consultation concerns were raised that there are a limited number of current workers that undertake specific and more limited linework activities that would not meet the criteria and skills requirements for the classes of linework. Some public submissions received also raised these concerns. As such this would potentially prevent these persons from becoming licensed as of 1 January 2021.</p> <p>These include</p> <ul style="list-style-type: none"> • persons employed by a railway company or railway infrastructure company to carry out linework safely under effective supervision • distribution overhead lineworkers employed by a major electricity company or network infrastructure company that carry out specified types of cable jointing work.
<p>Response</p>	<p>ESV has operated on the principle that no long-term competent worker is to be disadvantaged by the introduction of a new licensing scheme.</p> <p>In order to enable the identified competent workers above to be able to continue to undertake their work under licence ESV amended the regulations to include two new classes of linework as follows:</p> <ul style="list-style-type: none"> • Supervised “R” class of electrical lineworker licence for a person employed by a rail company and that has the skills, knowledge and experience necessary to carry out the work correctly and safely under supervision.¹ • Restricted “C” class of electrical lineworker licence available to a D class licensed lineworker employed by a major electricity company or network infrastructure company that has the skills, training and experience necessary to carry out specified types of linework correctly and safely. The licence must conditionally specify the types of electrical linework, and ESV may limit the locations where such work may be conducted. <p>The amendments have also included the capacity for ESV to refuse issue or renewal of a supervised “R” class and the “C” class licence to be able to limit the number of such licences, or discontinue the specific class (Regulations 34(2) and 34(3)).</p> <p>ESV has committed to further engagement with key affected stakeholders to better understand the different views, scope and impacts to businesses and persons, and subsequently provide clarity and guidance about administration of these licence classes.</p>

¹ A different version of this licence class was proposed in the public consultation draft of the proposed regulations.

Continuing professional development for electrical workers

Issue	<p>Submissions commented on continuing professional development (CPD) and raised the following concerns</p> <ul style="list-style-type: none"> • CPD from other states should be recognised • Delivery modality should not be limited to face-to-face training • Current lineworkers on electricity distribution networks already undertake significant training as required by the Victorian Electricity Supply Industry (VESI) requirements, and undertaking additional training requirements could lead to unnecessary lost productivity and higher labour costs.
Response	<p>Following feedback no amendments were required to be made to the Regulations, as course delivery modality and content is not included in the Regulations and CPD will first be required by 2023. Likewise the Regulations have no reference to cost or payment mechanisms.</p> <p>ESV has established the CPD Steering Committee and will publicly publish the terms of reference and meeting policy that were agreed in November 2020. The committee will determine the design features for CPD.</p> <p>The membership of the steering committee includes ESV, ETU, NECA, IEI, and a training representative. Specialist industry groups (for example, VESI, NESMA, AMCA) will be consulted in relation to requirements for specific licence types.</p> <p>ESV recognises the merits of interactive online delivery of course content along with face-to-face delivery, particularly in the context of COVID-19 restrictions and assisting electrical workers in regional areas.</p> <p>A skills gap analysis of current lineworker refresher training will be conducted to establish if all lineworker licence holders are required to complete refresher training under the VESI compliance requirements, and also to determine if it meets requirements.</p> <p>ESV liaises with other state regulators recognising the opportunity to learn from those who have already implemented CPD requirements, and where appropriate and practicable will seek alignment between the requirements of the different jurisdictions.</p>

Part 4: Other matters

Issue	<p>Concerns were raised about the cost of the application or renewal fee for each class of licence of the same type (for example there are four classes of lineworker licence)</p>
Response	<p>A regulation was added to allow ESV to waive the application fee for issuing an additional class of electrical work for a licensed worker.</p> <p>This can be included on the licence card held by the licensed electrical worker.</p>

Part B: Required qualifications, proficiency and experience in electrical inspection work

Definition of installation overhead distribution and transmission conductors

Issue	High voltage customers use licensed electricians to disconnect and reconnect high voltage equipment (such as insulators, transformers, CB, isolators, earth switches) that have overhead able connections, and that sign-off safe systems of work and compliance certificates. Concerns were raised that the proposed definitions will prevent this work being undertaken by the licensed electricians, and that they shall require a lineworker.
Response	After receiving feedback ESV amended the requirement for work within a complex electrical installation to revert back to the current regulations. This recognises that the work is undertaken by a licensed practitioner and a licensed electrician typically engages a licensed lineworker to do they work that they specialise in under the current and proposed Order in Council (exemption). In practice, there was no safety benefit to be gained from the proposed change to requirements.

Who we are

We are Victoria's safety regulator for electricity, gas and pipelines.

Our role is to ensure that Victorian gas and electricity industries are safe and meet community expectations. We are also responsible for licensing and registering electricians, and educating the community about energy safety.

More information is available on the Energy Safe Victoria website: www.esv.vic.gov.au