

# ANNUAL REPORT

10 AUGUST 2005 TO 30 JUNE 2006



**energysafe**  
VICTORIA

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## OVERVIEW

**Energy Safe Victoria is the independent technical regulator responsible for electricity and gas safety in Victoria. Responsibilities are achieved by auditing the design, construction and maintenance of all electricity and gas networks and installations and by ensuring that appliances meet stringent safety and energy efficiency standards before they are sold. ESV also conducts a comprehensive public awareness campaign to educate the community and industry on the potential dangers associated with gas and electricity.**

### THE ORGANISATION

ESV was created on 10 August 2005 through the enactment of the Energy Safe Victoria Act 2005.

ESV was formed after the extensive review of Victoria's main energy regulators through the amalgamation of the Office of the Chief Electrical Inspector (OCEI) and the Office of Gas Safety (OGS). ESV has the same objectives, functions and powers as the former OCEI and OGS.

ESV operates under the Electricity Safety Act 1998 and Gas Safety Act 1997 which are administered by the Minister for Energy Industries and Resources.

## OUR MISSION

AS VICTORIA'S INDEPENDENT ELECTRICITY AND GAS SAFETY AND TECHNICAL REGULATOR, ENERGY SAFE VICTORIA STRIVES TO ENSURE SAFE AND EFFICIENT SUPPLY AND USE OF ELECTRICITY AND GAS, FOR THE BENEFIT OF ALL VICTORIANS.

WE PROTECT AND ASSIST THE COMMUNITY BY:

- working co-operatively and in consultation with the industry and community to facilitate safety outcomes
- developing and communicating safety and efficiency requirements and programs
- monitoring, auditing, and enforcing compliance with the requirements
- administering licensing, registration and approval systems that maintain safety standards and skills.



**OUR VISION – TOWARDS 2011**

Victoria will be a state where the community, industry and regulators share a strong commitment to the safe and efficient supply and use of electricity and gas.

To ensure their safety, the community and industry will demand that work involving electricity and gas is carried out only by workers who are skilled and appropriately trained. The industry workforce will have numbers sufficient to deliver community requirements into the future.

Energy Safe Victoria (ESV) will be nationally respected and recognised as a leader in safety regulation that facilitates safety and efficiency outcomes through strong communication and consultation, clear regulation, and fair audit and enforcement activities. These activities will be carried out by a highly skilled, professional and adaptable regulatory team who are leaders in their field, and are able to explain their actions and decisions.

Safety and efficiency will be delivered within a framework that is cost effective and fair for all parties. This framework will be consistently and openly communicated to the community and industry.

This will create a safer state for the benefit of all Victorians.

**OUR VALUES**

At ESV, the following core values are expected from all our team at all times. These values are to be expressed in our day to day actions and decisions, and our interactions with others.

**1. Respect**

- We respect people and their opinions
- We respect differences and skill diversity
- We recognise that all people have valuable contributions to make

**2. Integrity**

- We communicate and act in an open, honest, ethical and transparent manner
- We aim to meet our promises
- We are trustworthy – we mean what we say
- We make decisions on merits, based on facts, logic and process

**3. Teamwork**

- We work co-operatively as a team
- We encourage, mentor and support other team members

**4. Commitment and Responsiveness**

- We demonstrate motivation and commitment to our role
- We are committed to being responsive to the needs of internal and external stakeholders
- We aim to be timely and efficient

**5. Flexibility & Innovation**

- We are open to changes that may help achieve our goals
- We encourage innovation and ideas

**6. Accountability**

- We take responsibility for our actions and decisions
- We demonstrate leadership

**7. Excellence**

- We strive for quality and excellence in our actions.



VICTORIA WILL BE A STATE WHERE THE COMMUNITY, INDUSTRY AND REGULATORS SHARE A STRONG COMMITMENT TO THE SAFE AND EFFICIENT SUPPLY AND USE OF ELECTRICITY AND GAS.

## ROLE AND FUNCTIONS

A summarised version of Energy Safe Victoria objectives and functions that are conferred by legislation and must be addressed through ESV operations are as follows.

### Objectives

- Ensuring the electrical safety of electrical generation, transmission and distribution systems, electrical installations and electrical equipment
- Ensuring safe conveyance, sale, supply, measurement, control and use of gas
- Controlling the safety standards of gas and electrical work
- Maintaining public and industry awareness of electrical and gas safety requirements
- Promoting awareness of energy efficiency through energy efficiency labelling and regulation of electrical equipment and gas installations, appliances and components
- Protecting underground and underwater structures from corrosion caused by stray electrical currents.

### Functions

Energy Safe Victoria carries out the following functions to meet these responsibilities:

- Specifying minimum safety standards
  - associated with electrical equipment, electrical installations, electrical work, gas appliances, gas equipment, gas components, gas installations, gas related services and the conveyance, sale, supply, measurement, control and use of gas
- Encouraging and monitoring the use of electricity safety management schemes
- Issuing guidelines for preparing gas safety cases
- Auditing accepted gas safety cases and electricity safety management schemes to determine the adequacy and effectiveness of these safety cases and schemes
- Administering the prescribed minimum standards for energy efficiency of electrical equipment and gas installations and components
- Investigating events or incidents which have implications for electricity and gas safety
- Providing advisory and consultative services to industry and the community in relation to gas and electrical safety
- Monitoring and enforcing compliance with the Act and the regulations, including:
  - > Inspecting and testing electrical equipment, electrical installations and electrical work for compliance with the specified safety standards
  - > Compliance of gas appliances, equipment, components, installations, and related services and the conveyance, sale, supply, measurement, control and use of gas with the specified safety standards
  - > Inspecting and testing electrical equipment and gas installations, appliances and components for compliance with the specified minimum standards for energy efficiency
  - > Compliance of gas companies with accepted safety cases.

GasNet Dandenong liquid natural gas storage and city gate



# DIRECTOR OF ENERGY SAFETY'S REPORT

This is the first Annual Report for Energy Safe Victoria (ESV) which was formally established on 10 August 2005 with the amalgamation of the Office of the Chief Electrical Inspector (OCEI) and the Office of Gas Safety (OGS).

It has been a busy and productive year. We have worked hard at establishing the new organisation through the integration of OCEI and OGS resources and infrastructure while making sure that everyday roles and responsibilities in relation to energy safety have not been compromised.

At this point I would like to acknowledge the cooperation and commitment of ESV's management and staff in ensuring a virtually seamless setting up of our new organisation, while continuing to work hard on all areas of energy safety – both existing programs and new initiatives.

There are a number of positives to report from our year's activities and these are covered in some detail in the different sections of this Annual Report.

A standout event for Victoria was the Commonwealth Games and I am pleased to report that ESV worked with organisers at many venues to ensure gas and electricity safety. For instance, at the Games Village three portable kitchens using LP Gas prepared 24,000 meals each day.

ESV also launched a major new safety initiative – the electrical Home Safety Inspection Scheme. New television commercials were produced to raise awareness of the scheme, while targeted promotions were undertaken in two areas.

We are committed to promoting this scheme as much as possible as it encourages home owners and occupiers to arrange a professional inspection of the electrical installations in the interests of their families, themselves and the property itself.

Another plus for ESV is the increased time and resources devoted to raising public and industry awareness of gas and electricity safety.

In addition, our work preparing and completing ESV's five year Corporate Plan 2007 – 2011 was another milestone for us. This work was complemented by the comprehensive risk review we undertook examining each aspect of ESV activities.

Unfortunately our year's work has been significantly marred by a number of fatalities due to electrical causes. Of particular concern have been three electrocutions caused by trucks touching powerlines on rural properties.

## SERIOUS INCIDENTS

While the numbers of fatalities are consistent with long term rolling averages, they are of great concern to ESV and have resulted in new awareness campaigns to stress dangers – particularly the importance of "Look Up And Live".

All deaths are tragic not just for the victim but also their family, friends and in many cases their work colleagues. The electrical related deaths could quite easily have been avoided if a degree of care had been taken.

In the case of contact between trucks and powerlines, these incidents are very avoidable and should not happen, and ESV is undertaking a number of projects to ascertain appropriate communications to people who appear to perpetually take risks.

ESV proposes to treat all incidents of contact with powerlines very seriously – and if necessary take action to ensure compliance.

Whilst it does not give us any joy prosecuting people for doing the wrong thing, we will take action if this is the only way to get through to people that they have to be ultra cautious when in the vicinity of powerlines.

The fatalities and serious incidents reported during 2005/06 are covered in detail in the "Safe and Efficient Electricity" section of this Annual Report.

IT HAS BEEN A BUSY AND PRODUCTIVE YEAR. WE HAVE WORKED HARD AT ESTABLISHING THE NEW ORGANISATION THROUGH THE INTEGRATION OF OCEI AND OGS RESOURCES AND INFRASTRUCTURE WHILE MAKING SURE THAT EVERYDAY ROLES AND RESPONSIBILITIES IN RELATION TO ENERGY SAFETY HAVE NOT BEEN COMPROMISED.

## FIVE YEAR CORPORATE PLAN 2007 – 2011

As mentioned earlier, one positive example of our year's work is the focus we have dedicated to determining the way ahead both for energy safety and ESV. This is epitomised through the completion of ESV's five year Corporate Plan 2007 – 2011.

The plan was developed through many hours of discussions and consultation by ESV's management team and external resources. Briefly it provides a clear direction for the delivery of our responsibilities and objectives – the winners being energy safety, the overall energy industry and the community.

The delivery of the strategies and activities will be a major challenge for us, but we are not daunted and have set achievable targets requiring hard work and commitment.

Our five-year plan focuses on key concerns and challenges which ESV needs to address as part of its long term strategy to deliver an energy safer Victoria. Challenges include:

- Prevention of serious incidents and fatalities
- Ensuring that the energy safe legislative and regulatory framework is current and effective
- Ensuring that the merger of electricity and gas safety and technical regulation functions deliver acceptable benefits to all stakeholders, including the general community
- Addressing the skills shortage and its impact on energy safety
- Improving communications with stakeholders to enhance the need to work safely
- Ensuring that ESV has the most appropriate structures and processes to deliver best practice energy safety outcomes.

After conducting a comprehensive analysis of what ESV is required to achieve over the next five years, seven key outcomes were put in place – and appropriate strategies, timelines, budgets and other activities identified to ensure they are delivered.

The key outcomes are:

1. Modern safety regulation – effective, efficient and fair
2. Better informed stakeholders – improved consultation and communication
3. Safe and reliable gas and electricity supply systems
4. Safe and efficient appliances and safe installations
5. Stable, sustainable and skilled industry workforce
6. Employer of choice – a committed team of skilled professionals
7. More efficient and effective organisation – clear and consistent practices.

Consistent with the recent establishment of ESV, and the associated bringing together of regulation of gas and electricity, the plan specifies several major "review" activities, especially in the early period of the plan.

These reviews are intended to ensure that the regulatory framework, communications and processes and procedures will be effectively updated to leverage the merging of gas and electricity regulation, in terms of safety, productivity and efficiency.

With twelve sets of regulations due to expire in the coming years, completion of effective legislative and regulatory reviews is essential to ensure that all of the required updates can be identified and implemented.

Inadequate attention to these review activities would result in insufficient improvement in legislative frameworks, hampering attempts to achieve required outcomes, and the delivery of administrative and efficiency benefits to the community and industry from the creation of ESV.

We have no intention of allowing this to happen.

**KEN GARDNER**  
DIRECTOR OF ENERGY SAFETY

Director of Energy Safety, Ken Gardner



## THE ORGANISATION

**Energy Safe Victoria is led by the Director of Energy Safety who is appointed pursuant to the Energy Safety Act 2005 which is administered by the Minister for Energy Industries and Resources.**

**ESV's mission and objectives are achieved through the commitment and collaborative efforts of the Director of Energy Safety, managers and staff.**

Director of Energy Safety

**Ken Gardner**

Executive direction of Energy Safe Victoria

Deputy Director & Executive Manager,  
Infrastructure Safety

**Mike Ebdon**

- Electricity Supply Networks
- Gas Supply Networks
- Traction Networks
- Electrolysis
- Gas and Electricity Supply
- Risk Management
- Pipelines
- Supply Standards

Executive Manager, Corporate Services

**Alan Kelly**

- Finance and Administration
- Human Resources
- Information Technology
- Customer Service Centre

Executive Manager,

Licensing & Professional Development

**Allan Driver**

- Licensing
- Registration
- Training
- Competency
- Ongoing Skills Maintenance  
(Continuing Professional Development)
- Certificate Administration

Executive Manager,

Gas Installations & Appliance Safety

**Stephen Brook**

- Gas Installations
- Gas Installation Standards
- Major Events
- Type B Gas Appliances
- Energy Efficiency of Gas Appliances,  
Approvals and Inspections
- Gas Appliance Retailer Audits

Executive Manager, Electricity  
Installations & Equipment Safety

**Darren Margerison**

- Electricity Installations
- Electricity Installations Standards
- Electricity Appliance Approvals
- Electricity Appliance Inspections
- Energy Efficiency of Electricity Appliances,  
Approvals and Inspections
- Electricity Installation Inspections
- Licensed Electrical Inspector Audits
- Electricity Appliance Retailer Audits

Executive Manager,

Communications & Public Relations

**David Guthrie-Jones**

- Community Education and Communications
- Media
- Publications
- Industry Communications
- Magazine

Executive Manager,

Investigations & Prosecutions

**Peter Hester**

- Legal
- Investigations
- Prosecutions
- Emergency Management

**ESV'S MISSION AND OBJECTIVES ARE ACHIEVED THROUGH THE COMMITMENT AND COLLABORATIVE EFFORTS OF THE DIRECTOR OF ENERGY SAFETY, MANAGERS AND STAFF.**

From left to right

Mike Ebdon, Allan Driver, Stephen Brook,  
Darren Margerison, David Guthrie-Jones, Peter Hester



This report covers a number of major activities undertaken by Energy Safe Victoria across the areas of electricity and gas safety from the time of its establishment on 10 August 2005 until 30 June 2006.

This section deals with what are termed Corporate Activities, which includes establishment issues, legal activities, human resources, finance and IT. There are additional sections covering both the safe and efficient use of electricity and gas, together with public and industry awareness.

## ESTABLISHMENT OF ENERGY SAFE VICTORIA

There was a great deal of activity across ESV during the reporting period successfully integrating the people and functions of the former Office of the Chief Electrical Inspector and the Office of Gas Safety into the new energy safety regulator.

The 2005/06 Corporate Plan set a number of objectives for the organisation which were achieved on time and within budget.

Major tasks completed included introducing the new corporate structure, implementing a single Award and Enterprise Agreement for the organisation, developing the appropriate corporate branding, setting up new financial processes and rationalising the main accommodation requirements to two sites – Southbank and Nunawading.

Progress was also made during the year towards establishing a suitable culture for ESV as a regulatory authority charged with electricity and gas safety for both the energy industry and the general community. The pursuit of suitable safety outcomes through the development of safety partnerships with principal stakeholders will be an ongoing task in 2006/07.

## Accommodation

ESV needed the most appropriate accommodation for an integrated organisation. During the year there were extensive “fit-outs” at the Southbank and Nunawading locations. The former headquarters of OGS at Woolhouse, Parkville, was vacated at the end of May 2006 with new tenants being sought by ESV. Refurbishments and the provision of new facilities at ESV’s two main sites were completed in early 2006/07.

## ESV’S FIVE YEAR CORPORATE PLAN 2007 – 2011

To set a clear direction for the organisation to deliver its responsibilities and objectives, ESV’s management team and external resources devoted significant time to preparing a five year Corporate Plan for 2007 – 2011. The draft plan was submitted to State Government on schedule. The contents of the Plan are discussed in the Director of Energy Safety’s section.

## Risk review

A comprehensive risk review examining each aspect of ESV activities was a major program for the organisation’s management team during the year. The major risk areas for ESV were identified during the process and plans to manage the risks have been incorporated into the ESV five year Corporate Plan.

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The development of the new corporate structure and the recruitment/appointment process was a priority for the first few months after the formation of ESV. The structure was in place with most positions filled by February 2006.

Details of the corporate structure can be found in the “Organisation” section.

On the industrial relations front, there was a priority to ensure that all staff were employed on the same terms and conditions. A new single Award and Enterprise Agreement for the organisation was negotiated and implemented during the year.

To support the HR initiatives contained in the new corporate plan, ESV has created a new dedicated human resources role and employed the services of a qualified and experienced HR Adviser to coordinate all human resources and industrial relations activities.

As part of the five year Corporate Plan, ESV has committed to working towards becoming an employer of choice through improved organisational structures, role clarity, performance management, policies, staff development and occupational health and safety. Progress against initiatives will be measured through regular staff satisfaction surveys.

## Occupational health and safety

A new occupational health and safety committee covering both gas and electricity staff has been established. This committee meets quarterly and newly appointed OH&S representatives have received appropriate training.



### Principles of merit and equity

ESV is committed to the principles of merit and equity and appoints the best possible person for the job. Applicants in our recruitment and selection processes are evaluated and appointed on the basis of merit, using fair and equitable behavioural assessment that is based on advertised key selection criteria and accountabilities.

### Workforce data

ESV consists of staff from both the previous OCEI and OGS together with externally appointed staff in the following areas:

	As at 30 June 2006		
	Male	Female	Total
Director	1	0	1
Communications & Public Relations	1	1	2
Infrastructure Safety (Gas & Electricity)	16	2	18
Licensing & Professional Development	5	6	11
Gas Installation & Appliance Safety	21	0	21
Electricity Installations & Equipment Safety	13	0	13
Investigations & Prosecutions	7	1	8
Finance, Administration & Customer Service	5	6	11
Human Resources	0	1	1
Information Technology	2	1	3
<b>TOTAL</b>	<b>71</b>	<b>18</b>	<b>89</b>

### FINANCE

Determining the accounting requirements for the new organisation and implementing them was a major establishment task. Work included developing a common chart of accounts/cost centres, consolidation of all accounts into a new accounting system – ACCPAC – preparation of a consolidated budget, consolidated reporting and the establishment of the audit committee.

The total income for ESV for the period 10 August 2005 – the date the organisation was established – to 30 June 2006 was \$16.6 million and operational expenditure was \$16.8 million. This resulted in a \$140,000 operating deficit for the period.

A key focus during the period was the implementation of a series of projects to establish and launch ESV and to align the various operational elements of the prior entities.

Service fee income represents approximately 55% of ESV's total income. Operational expenditure continues to be managed within available funding, with ESV maintaining an expense to income ratio of 1.0 or break even for the period ended 30 June 2006.

### Financial review of operations

	10/08/05-30/06/06 (\$'000)
Total expenses	16,745
Total revenue	16,605
Operating surplus/(deficit)	(140)
Total assets	8,181
Total liabilities	5,024
Net assets	3,157
Total equity	3,157

### Insurance and motor vehicles

A project was undertaken to determine insurance and motor vehicle requirements for the new organisation. Consolidation of insurance requirements resulted in savings of \$130,000 compared to total insurance costs incurred by OCEI and OGS. The appointment of a single motor vehicle lease provider will also deliver significant savings.



Gas Investigations Officer, Doug Rennie

## INFORMATION TECHNOLOGY

A major task was undertaken to review the hardware, software and system applications used by the previous OCEI and OGS and determine the appropriate system for ESV. A review of future IT requirements was also undertaken. A new ESV website featuring an enhanced interactive capacity for stakeholders to communicate with the organisation will be provided in 2006/07.

### Conducting business with ESV on-line

ESV will be introducing a new service early in 2006/07 providing licence and registration holders with the option to receive renewal notices via email, and then complete the renewal process by paying fees on-line by credit card.

The option is one of a range of services which ESV will be introducing progressively enabling stakeholders to conduct their business electronically.

Examples include the availability electronically of Certificates of Electrical Safety (COES) for registered electrical contractors (RECs) and licence holders to lodge with ESV and then download. Introduction is planned to take place in 2006/07.

ESV's agents, who sell certificates, will be able to allocate them to their customers via the internet. Agents will also be able to order new stocks of certificates electronically from ESV using the internet.

ESV also proposes early in 2007 to introduce new arrangements for manufacturers and importers of electrical appliances and equipment to apply for approval certificates on-line.

Already the ESV electrical Home Safety Inspection scheme is very much of an on-line program, with home owners and occupiers able to access information from the ESV website, contact inspection companies to receive quotes and then authorise the work to proceed if they so wish.

Similarly, the inspection companies and the inspectors themselves can purchase the home safety inspection certificates on-line and conduct all business with ESV relating to the particular inspection electronically.

In another move, ESV is proposing that in 2007/08 options will be introduced for new applications for most classes of licence – to be conducted electronically.

Because some RECs and licence holders do not wish to conduct their business with ESV electronically, traditional processes will remain in place for as long as there is a need.

### Communications register

One single communications register was established for the new entity.

## INVESTIGATIONS AND PROSECUTIONS

During the year, ESV completed 41 successful prosecutions under the Electricity Safety Act. This included the successful prosecution of a network operator for failing to have a safe system while 27 offences were proved for unregistered/unlicensed work including working outside the terms of disconnect/reconnect restricted licences. There were eight proven charges of unsafe work. A total of seven successful gas related prosecutions were also initiated.

### Legislation

The Energy Safe Victoria Act 2005 amended the Gas Safety Act 1997 and the Electricity Safety Act 1998 and established Energy Safe Victoria on 10 August 2005.

The Energy Legislation (Miscellaneous Amendments) Act 2006 made further amendments to the Gas Safety Act in June 2006 in respect to labeling gas appliances, powers of inspectors to require information, issuing of gas safety infringement notices by the Plumbing Industry Commission and the power to include gas quality testing exemptions in subordinate regulations.

During this reporting period, ESV contributed to the review of other related legislation, principally the Pipelines Regulations and to the implementation of subordinate legislation and codes of practice made under the Road Management Act.

## Amended regulations

### Electricity Safety (Equipment) (Amendment) Regulations 2005

These amending regulations introduced the requirement that electrical equipment and appliances having two or three pin plugs (including direct plug-in devices) have insulated pins fitted before being sold or supplied. These amendments commenced on 1 August 2005 but allowed suppliers until 3 April 2006 to dispose of stocks of equipment that did not meet the new requirements.

### Electricity Safety (Equipment Efficiency) (Amendment) Regulations 2005

These amending regulations implemented a Ministerial Council on Energy decision to upgrade minimum energy performance standards (MEPS) for small mains pressure water heaters and to introduce MEPS for vented displacement water heaters and heat exchange water heaters. The amendments commenced on 27 October 2005.

### Electricity Safety (Network Assets) (Amendment) Regulations 2005

These amending regulations prescribe appropriate clearance and depth requirements for high voltage direct current aerial and underground power lines respectively in relation to Basslink and made miscellaneous amendments to improve the operation of the principal regulations. The amendments commenced on 7 December 2005.

### Electricity Safety (Equipment Efficiency) (Amendment) Regulations 2006

These amending regulations increased the MEPS levels for both single-phase household airconditioners and three-phase electric motors. The amendments commenced on 1 April 2006.

## SKILLING FOR THE FUTURE

ESV continues to assist the energy industry to address the skills shortages resulting from people leaving the industry, an ageing workforce, the lack of training opportunities and the lack of new recruits – such as apprentices, engineers and people with middle range technical skills.

For instance, ESV worked with stakeholders and the Electrical Action Group formed under the Federal Government's Department of Education, Science & Training, to assist the Council of Australian Government (COAG) in introducing consistent national training and mutual recognition processes across Australia and New Zealand for electricians, restricted electrical licence holders, lineworkers, electrical fitters and cable jointers.

The outcome for tradespeople is that their skills and qualifications will be recognised across all Australian states/territories.

**Energy Safe Victoria has aimed to maintain and enhance all of the education, enforcement and communication/information activities of the former OCEI and OGS. During the reporting period there was an overall review of electricity and gas safety public and industry awareness programs and strategies to ensure cost effective and timely communications.**

A public awareness/communications strategy was in place for the start of ESV. By using television, radio, newspaper advertising and other initiatives, ESV aimed to highlight the importance of energy safety – and the existence of the new safety regulator – by delivering both new and existing electricity and gas safety messages.

Campaigns and messages covered the following:

- Look Up And Live
- Dial Before You Dig
- Never Do It Yourself – electricity and gas work
- Install a safety switch
- Do not work “live”
- Arrange an electrical Home Safety Inspection
- Never leave cooking unattended
- Ensure gas appliances are serviced and checked regularly
- Beware unsafe Christmas lighting products
- Electrical blanket safety
- BBQ and LP Gas safety
- Check the licence of tradespeople
- Insist on a Certificate of Electrical Safety or Certificate of Compliance when electrical and gas work is completed.

ESV was both proactive and reactive in its campaigns. Following three electrocutions early in 2006 resulting from trucks contacting overhead powerlines on Victorian rural properties, ESV initiated a large communications campaign utilising regional radio and newspapers to highlight the danger of overhead powerlines and the need to Look Up And Live.

The campaign was directed particularly at farmers and drivers of tip trucks. Ongoing activities include working with other organisations to help make sure the message is getting through to people at risk.

There are full details of this campaign in the “Safe and Efficient Electricity” section.

#### REACH AND RECALL

A public opinion survey conducted on behalf of ESV in May 2006 recorded a satisfactory reach and recall of campaigns through the community. There was also a high awareness of ESV as the new electricity and gas safety regulator.



Right Filming and production of the “Careers Corner” series

#### ESV’S NEW TELEVISION COMMERCIALS

During the reporting period, ESV commissioned four new commercials which were aired across metropolitan and regional television stations. They are available for future screenings during forthcoming ESV safety campaigns.

In addition, existing OCEI and OGS electricity and gas safety commercials were “re-cut” to feature the ESV branding.

The new commercials focussed on electrical Home Safety Inspections, BBQ and LP Gas safety, cooking safety and gas appliance safety. The latter also contained a warning to beware of potential carbon monoxide poisoning.

ESV’s electrical Home Safety Inspection scheme was initiated with the screening of two commercials at the end of 2005. While the images were the same in both commercials, one asked home owners whether the electrical wiring and installation was aged or overloaded, while the other urged both buyers and sellers of properties to arrange inspections for peace of mind.

The messages of the BBQ and LP Gas safety commercial are: never use outdoor appliances indoors, make sure gas hoses are in good condition and ensure all connections are tight.

The cooking safety commercial provided the basic message that whether one cooks with electricity or gas, the consequences can be the same if one is distracted and the cooking is left unattended.

The script for the gas appliance safety commercial asked whether gas appliances are safe to use. It warned that if the appliance produced yellow or orange flames then there could be a risk from dangerous fumes such as carbon monoxide. If the flames are blue then the appliances are working properly. In any case, appliances should be serviced and checked by a licensed gasfitter at least every two years.

The commercials can be viewed on the ESV website.

Early in 2006/07, ESV will be producing a new “Look Up And Live” commercial directed primarily at farmers and truck drivers, who deliver bulk material to farms. It is envisaged the commercial will be aired mostly on regional television.

ESV is proposing to run three major electricity and gas safety campaigns in 2006/07 - during early Spring, during pre-Christmas period and again in the run-up to Easter.



Left “The Travellers” on Sandridge Bridge – a modern electrical engineering icon

## RADIO COMMERCIALS

In a fresh initiative, ESV produced a series of radio commercials. Most of these used almost identical scripts to those used for the television commercials. The need to ensure the safety of electric blankets was a radio only message, which received good air time.

## NEW ESV BROCHURES

ESV developed four new brochures in 2005/06 to complement other brochures produced by the organisation just prior to its official establishment in August 2005.

The new brochures are:

### Gas and Electricity Safety: The Landlord – your responsibilities

This brochure aims to inform landlords and their agents of their responsibilities and requirements for good practice when renting accommodation. As the brochure points out the Residential Tenancies Act 1997 requires a landlord to ensure that rented accommodation is maintained in good repair.

“Good repair” includes all gas and electrical appliances provided by the landlord. These must be safe to use and properly maintained. The brochure lists both landlord and tenant responsibilities in relation to gas and electrical appliances.

### Gas Safety: Dial Before You Dig

This brochure incorporates the slogan: “stay safe, stay legal when digging near gas pipes”. The publication details the provisions covering gas pipeline excavation and damage in Victoria prescribed in the Gas Safety Act 1997. There is a reminder that tough laws and penalties are in place to prevent damage to gas pipelines. Pipe damage can result in major expense, injuries and even death.

The brochure outlines important information about digging in the vicinity of gas pipes. When planning any type of work involving excavation, Dial Before You Dig must be contacted at [www.dialbeforeyoudig.com.au](http://www.dialbeforeyoudig.com.au) or on telephone number 1100 for the identity of asset owners and the location of their underground infrastructure.

## Gas Safety: Type B Gas Appliances

This brochure covers the processes involved in obtaining an acceptance when installing, modifying or commissioning new or second hand Type B Appliances – appliances for which there is no specific code and with a gas consumption or input which exceeds 10MJ/h.

It explains how the acceptance process works, owner responsibilities, reporting incidents involving Type B Appliances, re-installed or modified appliances and the information which needs to be submitted with applications for acceptance.

## Electrical Safety: Look Up And Live

This new “Look Up And Live” brochure is directed at truck drivers – and rural property owners, their families and workers, and was developed in response to three deaths in early 2006 resulting from trucks contacting overhead powerlines.

It contains a number of stark messages, including:

- Electrocutions caused by trucks hitting powerlines on rural properties in Victoria are on the increase. Everyone involved in the delivery of fertiliser, lime and other bulk material to farms is at risk
- Do not store bulk deliveries close to powerlines. Do not raise the tipper tray of trucks when underneath powerlines. YOUR LIVES ARE AT STAKE – LOCATE TO ANOTHER AREA
- Don't take powerlines for granted – the consequences can be fatal
- Trucks are getting bigger but powerlines have remained at the same height.

## WEBSITE

ESV operated through 2005/06 with a temporary website featuring information from the previous OCEI and OGS sites. A new website will be developed in 2006/07. Apart from providing energy safety information, enhanced interactive features will improve communications facilities between ESV and its stakeholders.

## Branding the new organisation

Activities to brand ESV included the creation of the organisation's logo, and the development of its corporate identity with new stationery and signage for offices and motor vehicles. An ESV uniform was also developed for management and staff wishing to wear it.

## INDUSTRY MAGAZINE

With the commencement of ESV, the quarterly industry magazine published by the OCEI and titled LIVE with electricity, was renamed **energysafe** and now incorporates gas safety information in addition to electricity safety features. The first issue was published in September 2005 and three subsequent issues were produced during the year. Circulation of the magazine is in the region of 54,000 – including some 16,000 gasfitters. Advertising sales assist in subsidising the cost of publication and distribution.

## CULTURALLY AND LINGUISTICALLY DIVERSE (CALD) ACTIVITIES

ESV broadcast the following campaigns on SBS television:

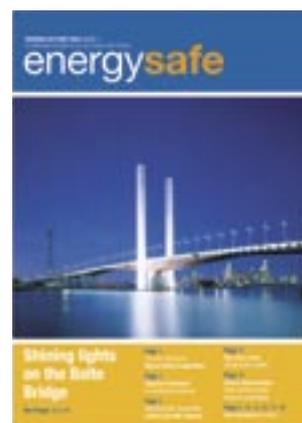
- Arrange an electrical Home Safety Inspection
- Don't Do It Yourself
- BBQ safety
- Install a safety switch
- Take care when cooking
- Ensure gas appliances are regularly serviced and maintained.

It is ESV's intention to enhance its CALD activities in 2006/07 including the translation of media releases and brochures into various languages to target campaign specific audiences.

## “CAREERS CORNER”

In conjunction with television production company, Backspin, ESV initiated a series of television programs encouraging young people to consider careers in the electricity and gas industries at all levels from apprenticeship to engineering opportunities. A number of electricity and gas companies supported the project with contributions of finance and technical expertise.

Electricity related programs were aired on Channel 31 in late 2005. Subsequently the series was edited and with new episodes covering employment opportunities in the gas industry, the series went to air again in the middle of 2006. It is proposed to distribute DVDs of the series to all Victorian secondary schools in early 2006/07.



**energysafe** magazine, the source of technical and general interest information for ESV's stakeholders

**ESV personnel continued the traditions of the former OCEI in addressing all elements of electrical safety. Managers and staff displayed their usual commitment, expertise and professionalism in what was a busy and challenging year.**

#### SERIOUS INCIDENTS

Unfortunately the year's activities were marred by what appeared to be an abnormally high number of electrocutions during the reporting period. The fatalities continue to be of concern to ESV, the State Government and the energy industry in general.

Excluding three suicides and including the death of a man train surfing, there were seven electricity related deaths. This is in contrast to the very good results experienced in Victoria over the previous five years when there were a total of eight deaths.

The 2005/06 numbers are, however, consistent with the longer term averages (10 year average of about four deaths per annum and 20 year average of about seven deaths per annum).

This number of deaths in 2005/06 appears abnormally high until one examines the underlying statistics. Based on reported incidents, the number of events which could have resulted in fatalities is much higher than the number of actual fatalities. Whether an event results in a serious injury or a death is often a matter of chance and hence there will often be short term increases or decreases in fatalities.

It is ESV's continued and long term aim to reduce the number of incidents. Apart from thoroughly investigating all incidents, ESV is also examining such issues as whether different engineering solutions might reduce accidents, whether revised processes need to be introduced, or whether the answer could be enhanced or new channels of communication to people at risk.

While all fatalities are of concern, it is particularly concerning to record three electrocutions resulting from trucks coming into contact with overhead powerlines on Victorian farms. The deaths prompted an intense media campaign by ESV across regional Victoria to warn of the dangers of overhead powerlines and the need to "Look Up And Live".

ESV has been particularly busy ensuring that the importance of "Look Up And Live" is being effectively communicated – particularly to farmers and drivers of tip trucks, and is working with other organisations to help make sure the message is getting through to people at risk.

ESV activities have included:

- An intense radio and newspaper advertising campaign across regional Victoria
- Distribution of some 20,000 "Look Up And Live" stickers to members of the Transport Workers Union through its newspaper
- Development of a new "Look Up And Live" brochure specifically focussed on tip truck drivers, rural property owners and their workers
- Printing of new hard hitting posters. One features pictures and details of the three deaths recorded on farms in 2006
- Provision of stickers, posters and brochures to WorkSafe Victoria for distribution at farm field days throughout Victoria
- Establishing relationships with other organisations – such as FarmSafe Victoria and the Victorian Limestone Producers Association – to initiate joint communication campaigns.

Future action includes:

- Producing a brand new "Look Up And Live" commercial for airing across Victorian regional television. The commercial will be filmed in early 2006/07. It will focus on the dangers of ignoring the "Look Up And Live" message when delivering bulk material to farms – but also concentrate in particular on the consequences for loved ones if and when tragedy strikes
- As two of the electrocutions involved the delivery of lime to farms, ESV will be working with the Victorian Limestone Producers Association – once the lime season resumes in late summer/early autumn 2007. It is proposed that as drivers leave lime pits with their loads they will be issued with "Look Up And Live" brochures and stickers.



### Brief details of the fatalities

- Three men – two drivers and a farmer
  - died after trucks came into contact with overhead powerlines on rural properties
- A 67-year-old man died in hospital after suffering a severe electric shock while using a faulty welder
- A 57-year-old man died using a faulty egg washing machine
- A 27-year-old man received a severe electric shock while working in a “cherry picker” changing light globes at a car yard.

An obvious conclusion from initial investigations of the incidents is that if some of ESV’s regular safety messages such as “Look Up And Live”, “Install A Safety Switch Today”, “Don’t Work Live” and “Always Employ A Qualified Tradesperson” had been observed and a degree of care taken, the fatalities would have been avoided.

Overall, instances of contact between machinery of some sort and overhead powerlines appear to be continuing. Because of the increased instances, ESV announced its intention to treat all such incidents very seriously – and if necessary take enforcement action.

### Distribution company fined for unsafe network

CitiPower was fined \$50,000 without conviction in the Melbourne Magistrates Court on 10 March 2006 for failing to take reasonable care to ensure that all parts of the network which it operated were safe and operated safely.

CitiPower is now appealing the verdict.

### DO NOT WORK LIVE

ESV has continued to warn registered electrical contractors, licensed electricians and lines people not to work under “live” conditions unless absolutely necessary.

Initiatives have included the distribution of brochures, produced just prior to the establishment of ESV, and new “danger” labels for attaching to switchboards and featuring a simple Do’s and Don’t’s guide to what should and should not be done when it comes to electrical work.

### Warning to lineworkers on safe working

Following an incident in which a 35-year-old Powercor linesman received some horrific flash burn injuries while installing testing equipment at a kiosk substation in Shepparton in January 2006, ESV issued a Safety Alert via its website while the Director of Energy Safety, Ken Gardner, wrote to some 1,700 lineworkers in Victoria stressing the importance of safe working at all times.

The letter and the Safety Alert provided the following advice:

- Always follow safe work procedures and never work in potentially unsafe situations
- When about to start any work in kiosk substations, always make sure it is absolutely safe to do so
- Always make sure that clearances from live electrical equipment are sufficient for easy and safe access to electrical equipment
- If there is any doubt about safety, ensure that the electricity supply is isolated from the equipment
- Never work alone in such situations, and, if necessary, contact your supervisor for advice and guidance.

Following the incident, ESV issued a direction under Section 141(2) of the Electricity Safety Act 1998 preventing Powercor employees from working on any live electrical equipment between the low voltage switch gear of a kiosk substation without the electricity supply being isolated from the electrical equipment and the equipment being earthed.

The Safety Alert said that while Powercor had been issued with the direction, the message about safe work practices involving live electrical equipment within kiosk substations and other installations applied to all network operators and their employees.

In the Alert, ESV stressed that Section 43(4) of the Electricity Safety Act requires that a person carrying out electrical work must ensure that all electrical circuits and electrical equipment handled in the course of this work are disconnected from electricity supply, or adequate precautions are taken to prevent electric shock or other injury in the handling of electrical circuits or electrical equipment involved in the work.

The linesman has reportedly made a good recovery.

ESV’s new brochures and posters which deliver the “Look Up and Live”, “Don’t Work Live” and “Don’t do electrical work yourself” safety messages



### Tram worker injured during line replacement work

ESV investigated an incident in which a lineworker received severe burns while working on overhead trolley wires. The incident occurred in early January on the tram tracks in Mt Alexander Road, Moonee Ponds.

Investigations by ESV showed that the victim was involved in replacing a section of the overhead wires. It appeared that the section had been taken off supply while the work was proceeding. However, while the new wires were being lifted into position they came into contact with the next bay which was live.

This caused an arc which in turn caused burns to the linesman, who has reportedly made a good recovery.

### Labourer hurt connecting electrical wiring

A labourer received a severe electric shock in February when connecting electrical wiring underneath a Frankston property which was being renovated. He was taken to Frankston Hospital but was almost immediately transferred to the Monash Medical Centre in Clayton where he was placed in a drug induced coma in intensive care because of the extent of his injuries.

He was employed by the company renovating the property.

ESV's investigations revealed that the victim was only wearing shorts at the time of the incident. It appeared that his bare stomach was lying across a water pipe while he was attempting to connect the electrical wiring to a junction box.

He contacted the live wires with his hand and received the severe shock. CPR was administered by another labourer who found the injured victim.

## INSTALLATION SAFETY

### Installation Safety statistics:

Exemption applications granted under Regulation 416 of the Electricity Safety (Installations) Regulations	120
Letters of No Objection	164
Breaches of Regulatory requirements investigated	361
– Investigations actioned within 5 days	216
– Investigations – final action instigated within 30 days	145
Warning letters sent	106
Successful prosecutions	24
Infringement notices issued	30
Audits of registered electrical contractors	334
– System audits	7,597
Audits of licensed electrical installation workers	666
– System audits	9,013
Audits of licensed electrical inspectors	60
Certificate sales:	
– Prescribed	83,381
– Non Prescribed	495,157
– Periodic	900

Compliance Officers, (left to right) Adam Murdoch and Craig Menes



## Audits

There were 26,336 audits undertaken by the contract audit companies on behalf of ESV of non prescribed work following lodgement of Certificates of Electrical Safety.

There were also 30 periodic audits undertaken which allowed for an education and information session to be provided to the companies that had been audited.

Compliance rates were:

- 99.77% of the Prescribed Certificates were compliant
- 93.31% of the Non-Prescribed Certificates were compliant
- REC compliance to the certification system was 86.58%
- 60% of certificates lodged identified that safety switches were installed.

Throughout this period there were 135 information sessions involving ESV which were attended by a total of 4,230 people, including registered electrical contractors, licence holders, licensed electrical inspectors and apprentices.

The sessions covered the Electricity Safety Act, Electricity Safety (Installations) Regulations, the Wiring Rules and other general information about ESV's policies and programs.

There were 63 construction sites audited throughout Victoria during the reporting period and they identified issues of testing and tagging, and mechanical protection of the cables that had been installed.

ESV continued to provide a service to the electrical industry in relation to electrical installation work in hazardous areas through Letters of No Objection. The guidelines were also amended to reflect the changes to AS/NZS2381.1:2005 are now allowing the adoption by the legal owner of the alternate procedure that is in Australian Standard (AS/NZS2381.1:2005).

ESV also encouraged, supported and assisted in the development of enhanced electronic lodgement of certificates, including training of RECs and LEIWs.

In addition, ESV monitored and audited the contracts for outsourced auditing of electrical work through three inspection companies.

ESV also made significant contributions through Standards Australia Committees:

- EL 001 for the restructuring of AS/NZS 3000 (Wiring Rules)
- EL 001 17 for electrical inspection and testing
- EL 001 14 for IEC input and comments
- EL 014 – Hazardous areas, with respect to the installation methods
- HT 021 with respect to the electro medical areas of the electrical installation.

## ESV ELECTRICAL HOME SAFETY INSPECTION SCHEME

ESV's voluntary electrical Home Safety Inspection Scheme was formally introduced with the screening of television commercials in late 2005.

The scheme encourages home owners and landlords – in particular properties which are 25-years-old or more – to arrange an inspection by an approved and registered ESV electrical Home Safety Inspector to check the electrical installation and wiring to ensure it is not overloaded or deteriorating, and detect if any recent electrical work has been carried out by a qualified tradesperson or not.

Under the scheme, companies were registered by ESV as Authorised Home Safety Inspection Companies and qualified individuals underwent additional training to become Home Safety Inspectors.

ESV invested finances and resources to promote the scheme throughout the Victorian community. Apart from two campaigns screening the television commercials across the state, a radio and newspaper campaign promoting the scheme was also conducted in metropolitan Melbourne.

In another move, ESV targeted older homes in the cities of Monash and Greater Geelong, and surrounding areas, to provide information about the scheme. Brochures, letters and other information were distributed to 50,000 selected older properties in each of the two areas in June. Lists of Home Safety Inspection Companies which had indicated their availability to provide inspections in the areas concerned were provided as part of the package for residents.



**Above right** The first ESV electrical Home Safety Inspection. Approved Inspector Terry Theobald (right) discusses his report with John and Leanne Wallinger



**Right** A scene from the Home Safety Inspection TV commercial

The promotion clearly indicated ESV's commitment to marketing what is a major electricity safety initiative. It is proposed to target other areas across Melbourne and regional Victoria in the coming months to ensure more residents become aware of the benefits of the scheme for the protection of their families and properties.

The results of the targeted promotions were still being assessed as this Annual Report was being prepared. Early indications showed a reasonable increase in the level of interest in the scheme. For instance hits on the Home Safety Inspection section of the ESV website and the request for quotes increased appreciably.

The number of inspections assigned, inspections completed and ESV Home Safety Inspection certificates purchased and lodged also more than doubled in some instances as a result of the promotions.

ESV accepts there is still some way to go before the scheme and its benefits are properly understood and appreciated by the general community. Naturally with any new initiative of this sort, adoption of the scheme by the community takes time – but ESV has been encouraged by the results from the promotions, and the interest shown by those who have set up home safety inspection companies and become registered as inspectors.

ESV remains committed to marketing the scheme as much as possible.

Electrical Home Safety Inspection scheme statistics at the end of 2005/06 were:

- 26 Approved Home Safety Inspection companies
- 52 Approved Home Safety Inspectors
- 4,570 hits recorded on the ESV website for Home Safety Inspection enquiries
- 241 quotes had been requested
- 73 Certificates for Electrical Home Safety had been purchased
- 48 Certificates had been assigned, therefore representing 20% of quotes converted to jobs.

These statistics do not include the increased interest in the scheme generated by the promotions in the cities of Monash and Greater Geelong as mentioned earlier. The promotions were continuing until the end of August 2006.

### SAFETY SWITCHES (RESIDUAL CURRENT DEVICES)

ESV continues to take every opportunity to promote the importance of installing safety switches in properties – activities included screening television commercials and distributing brochures.

The importance of safety switches is reflected in the fact that they have been compulsory on the power circuits in new homes since 1991. And, since 2001 they have been mandated on both the power and lighting circuits in new homes and in older properties undergoing major renovation.

Despite the legislation mandating safety switches in new homes and the evidence that they save lives, it is estimated that some 35% of Victoria's 1.6 million homes still do not have them installed on either the power or lighting circuits.

While vigorous statewide and localised public awareness campaigns have been and continue to be undertaken regularly, the installation rate of safety switches in older properties continues to be disappointing from ESV's perspective.

### CERTIFICATES OF ELECTRICAL SAFETY

ESV safety messages continue to stress the importance of obtaining Certificates of Electrical Safety when work is completed. New certificates were introduced to reflect the ESV corporate colours and to ensure that the format for electronic certificates were created following the establishment of ESV.

Statistics for the sale of Prescribed and Non-Prescribed Certificates are provided under "Installation Safety".

#### Chinese Lantern Festival

ESV moved quickly to order the withdrawal of the electricity supply to the Zigong Lantern Festival at Nunawading in February after a number of electrical problems had been detected. It was ESV's view that the festival posed both a fire risk and a threat to public and workplace safety.

The problems included exposed wiring, the lack of earthing on some structures and the fact that 240 volt cables were buried just five centimetres below ground. Without ESV's quick action there could have been a lethal incident for workers or members of the public visiting the festival.

ESV provided the festival promoters with two options for remedying the electrical installation problems, both of which would have entailed quite a deal of work. ESV made it clear that a large range of electrical safety issues had to be remedied.

The promoters decided not to proceed with either option and the festival was dismantled. The festival had been due to transfer to South Australia after a month or so in Nunawading – instead it returned to China.

#### New Certificates of Electrical Safety



**ENERGY EFFICIENCY**

ESV continued its successful administration – on behalf of the Victorian Government – of the energy efficiency and Minimum Energy Performance Standards (MEPS) program.

Activities included implementing the Electricity Safety (Equipment Efficiency) (Amendment) Regulations 2005 MEPS for storage water heaters which commenced operation on 27 October 2005, and also implemented the Electricity Safety (Equipment Efficiency) (Amendment) Regulations 2006 – MEPS for room air-conditioners and 3-phase motors which commenced operation on 1 April 2006.

Other activities in 2005/06:

- 1481 equipment efficiency and Minimum Energy Performance Standards (MEPS) were approved
- 12 electrical retailers were audited for energy labelling compliance
- Explanatory letters were sent to organisers of the RACV and HIA Home Show exhibitions providing information about the need to comply with the Electricity Safety Act and regulations and equipment energy labelling audits were carried out at both events
- The registration of seven appliance models that failed the requirements of the National Check Testing Program for energy efficiency and MEPS were cancelled.

ESV is contracted as the Program Manager of the National Check Testing Program carried out on behalf of the Equipment Energy Efficiency Committee. Twenty-eight invoices, for approximately \$60,000, were authorised from the Ministerial Council on Energy Fund.

ESV issued ten contracts and variations to laboratories and service providers for laboratory efficiency and standards development testing under the National Check Testing Program.

ESV sent invoices to four companies for recovery of check test program costs from the ESV Trust Fund and used these funds for further testing under the Equipment Energy Efficiency Committee guidelines.

ESV provided representation on the Standards Australia EL15 Committees and working groups to amend standards for:

- Refrigerators and freezers
- Air conditioners
- Clothes washers
- Clothes dryers
- Dishwashers
- Input into other committees dealing with standards for lighting, commercial refrigerators, power supplies, transformers, electric motors and electric water heaters.

ESV also hosted a high level Chinese delegation (Department of Environment & Resources Conservation of the National Development and Reform Commission) study tour and a Thailand delegation (Thai Industrial Standards Institute, Ministry of Industry) in April 2006 and provided the participants with relevant presentations on equipment efficiency, testing and standards development.

**ELECTRICITY SAFETY MANAGEMENT SCHEMES**

Electricity Safety Management Schemes (ESMS) ensure the safe operation of electricity generation and distribution companies and electrical installations through the development and application of risk management principles.

The operation of ESMS encourages companies to analyse the electrical safety hazards posed by their assets and operations and to develop effective management processes and procedures as well as creating an environment where companies assume more responsibility for safety rather than relying on prescriptive legislation.

This reporting period witnessed further development of ESMS within the electrical distribution businesses in terms of risk assessment processes. ESV published guidelines for undertaking such assessments and the application process for variation from prescriptive legislation. ESV approved its first variation from prescriptive legislation application during this reporting period.

ESV received two applications for approval of an employer operated ESMS.

A submission by Shell Refining (Australia) was assessed by ESV during the year and was awaiting formal approval by the Victorian Government at the conclusion of the reporting period. Approval was granted in early 2006/07.

One of the displays at the Zigong Lantern Festival at Nunawading



## EQUIPMENT SAFETY

### Audits

Constant audits and investigations by ESV have assisted in stamping out the practice of importers attempting to circumvent the requirements of the Electricity Safety Act and put the general public in danger by attempting to supply unapproved and potentially unsafe equipment.

Over 100 point-of-sale audits were conducted at over 30 major retailers and 60 smaller stores and market stands.

Results showed 96% compliance with marking requirements and also revealed some unapproved items. In such instances action, including Stop Sale Notices and recalls, has been taken to ensure unapproved products are not sold.

### Essential safety requirements

The foundation of Australian electrical equipment safety legislation is an essential safety regime whereby electrical equipment suppliers, manufacturers, importers and retailers are responsible for ensuring that all electrical equipment supplied or offered for supply in Australia meets minimum safety specifications.

In Victoria these minimum requirements are called up in Section 54 of the Electricity Safety Act and Regulation 6 of the Electricity Safety (Equipment) Regulations. Those minimum safety standards are clauses 4.1 to 4.5 of AS/NZS 3820 Essential safety requirements for low voltage equipment.

Briefly, the essential safety requirements are specified as follows. Electrical equipment shall:

- Provide for essential characteristics (ratings, warnings, instructions etc) to be marked in English
- Identify its supplier (trade name, mark etc)
- Be manufactured so it can be safely assembled, installed and connected
- Be manufactured so that in use people and domestic animals are protected against
  - Dangers from direct or indirect electrical contact
  - Dangerous temperatures arcs or radiation
  - Non-electrical danger
  - Hazards caused by external influences.

A product supplied into the market which is subsequently found to be inherently unsafe through investigation and collection of evidence and therefore not complying with AS/NZS 3820 may be subject to a recall under the Electricity Safety Act. This action may be restricted in the first instance to Victoria but all other states and territories may also require the recall action to be undertaken in their jurisdiction. There were 38 electrical equipment recalls conducted in 2005/06 around Australia with five initiated by ESV.

The recall process is administered by the ACCC with advice from the state and territory electrical safety regulators and is publicly available at [www.recalls.gov.au](http://www.recalls.gov.au).

The second scheme is the pre-market approval scheme. A list of articles, primarily household appliances such as kettles, toasters, televisions etc, are also required to undergo pre-market approval. This consists of demonstrating that the appliance complies with the specific product safety standard by way of a third party independent test report.

It is an offence under legislation in all states and territories of Australia to supply or offer to supply "prescribed" classes of electrical equipment unless the equipment is approved by a (regulatory) approval authority or certified under a recognised certification scheme.

Once approved, equipment of the class or type may be supplied or on-supplied by any number of parties for the duration of the approval provided it is identical to that originally approved/certified and that it carries its allocated approval/certification mark.

### Insulated pin plugs

Following many years of consultation and a carefully planned implementation program, new regulations finally came into force in April 2006 permitting only electrical appliances fitted with plugs with insulated live pins to be sold throughout Australia. ESV issued a media release announcing the change.

The requirement for insulated pins on plugs was introduced to Australian Standards in 2000 as part of a nationally agreed strategy by the electricity safety authorities of all states and territories. The authorities agreed that the requirement should commence on 3 April 2005. The deadline was later extended to 3 April 2006 in recognition of the large amount of what would have been affected stock held by retailers.

Retailers face fines of up to \$20,000 for supplying appliances which do not have the insulated pins on plugs.

The ESV media release said that manufacturers and retailers had been allowed a reasonable time to adjust to the new requirement and therefore, there should not be any appliances with the incorrect plugs still for sale.

### Campaign warning of the dangers of "Do It Yourself" installation of electrical products

During the reporting period, ESV mounted a campaign warning that it is both illegal and dangerous for unqualified people to install electrical products such as power points, light fittings and electrical wiring.

Activity	Result 2005/06**	Result 2004/05*	Result 2003/04*	Result 2002/03*	Result 2001/02*
<b>Equipment Safety</b>					
Approvals submitted	1260	1295	1259	1,199	1,215
Total number of approvals in place	5896	5811	5191	5,729	5,547
Number of products audited (approval)	1102	982	1029	1,002	1,013
Notices to comply issued	105	68	83	90	55
Safety investigations	274	239	177	196	152
Safety recalls initiated	5	0	5	4	4
Hazard alerts raised	6	0	1	3	4
Incident reports raised	35	24	33	34	19
Public safety warnings initiated	2	4	4	0	2
No. of days taken to approve fully compliant approvals applications	9.7	16.2	8.0	12.6	11.0
Number of enquiries	13,680	10,670	10,422	9,445	6,437
Infringement Notices	2	0	1	N/A	N/A

\* Figures from the former OCEI.

\*\* ESV reporting from 1 July 2005 to 30 June 2006.

The campaign involved the distribution of posters and letters to hardware stores and electrical wholesalers throughout Victoria, and some follow-up audits to ensure the posters were appropriately displayed in sections of stores where electrical products are sold.

ESV had received reports that some hardware retailers are advising customers – who are not licensed electricians or registered electrical contractors under the Electricity Safety Act 1998 – on how to install these products. This was inconsistent with the spirit of the Code of Practice which covers the supply of electrical installation products to the general public.

The letter warned that hardware retailers – and wholesalers who sold products to the general public – could be held liable for negligence if injuries or death resulted from faulty installation by unqualified purchasers where the retailer or staff member had provided advice on how the products should be installed.

To minimise or avoid the risk of liability, stores were advised to display the ESV posters and refuse to provide any advice to customers on the installation of electrical products.

ESV will continue to audit stores to ensure compliance with the Code of Practice.

### Fires

ESV continued its work with the Metropolitan Fire Brigade and the Country Fire Authority to improve fire incident reporting – particularly fires which could have resulted from gas and electrical causes. Solutions are constantly being sought to reducing the number of house fires.

### NETWORK SAFETY

#### Basslink DC Interconnector

During this reporting period, ESV ensured that the undersea/overhead DC line associated with the Basslink project was designed, constructed and operated in accordance with safety standards. The Electricity Safety (Network Assets) Regulations were amended to accommodate DC interconnectors and promulgated in December 2005.

Basslink was subsequently issued with a Letter of No Objection to enable it to be connected to the Victorian electricity grid. The interconnector was placed in service in April 2006.

ESV also completed consultations to ensure the ground voltage rise under fault conditions were mitigated so that appropriate safety standards for metal structures and pipelines within the vicinity of Basslink were maintained.

#### Wind farms

ESV continued to assess wind farms for compliance with the Electricity Safety Act 1998 and Electricity Safety Network Assets Regulations. This process requires an assessment to determine compliance with the legislation and regulations and, based on assessments, ESV then issues a Letter of No Objection for connection to the main electricity supply grid.

During this reporting period, one wind farm at Wonthaggi was assessed and granted permission to connect to the electricity grid. Discussions continued with other proponents of wind farms to ensure they are aware of the requirements under the Electricity Safety Act 1998 and regulations.

#### Laverton North Power Station

ESV has continued to assess the gas-fired power station at Laverton North to ensure compliance with the Electricity Safety Act 1998 and Electricity Safety Network Assets Regulations, together with the Major Hazards Facility Regulations.

The process required an independent expert assessment to determine compliance with the legislation and regulations. Based on the completion of this assessment, ESV will then issue a Letter of No Objection for connection to the main electricity transmission grid.

#### Electrolysis

The Electricity Safety Act 1998 and the existing Electricity Safety (Stray Current Corrosion) Regulations provide a framework for protecting underground and underwater structures from corrosion caused by stray electrical currents.

The Act also establishes the Victorian Electrolysis Committee (VEC), defines its composition and nominates the functions it will perform.

As per requirements, during 2005/06 VEC completed its coordinated monitoring program of the underground metallic structures (i.e. water, gas and oil pipes, telecommunications and power cables) across the Melbourne metropolitan area to ensure the aims and functions of VEC were met.

Following the introduction of two new types of trains with re-generative braking facilities on the electrified traction network, VEC has been actively involved with train operators in extensive testing to ensure the effective mitigation of adverse affects that have been experienced on the underground metallic structures owned by VEC members along the rail routes used by the new trains.

VEC also maintained a register of cathodic protection systems installed in Victoria to protect structures from corrosion.

The Committee has also approved and undertaken mitigation work to accommodate the extension of the tram system along the Burwood Highway in Melbourne's east. Discussions have also commenced on the design of the mitigation works associated with the Craigieburn rail extension in the north of the city.



Left Leading Bare Hand Lineman Kimura Anderson of Transfield Services climbs a tower linking Basslink to the Latrobe Valley.

Below The wind farm at Wonthaggi



### New “Blue Book”

Under the auspices of ESV, a new “Code of Practice on Electrical Safety for Work on or Near High Voltage Electrical Apparatus” – or Blue Book – was developed during the reporting period by the Victorian electricity industry’s Electrical Safety Committee. The new Code becomes effective from 31 December 2006.

The Blue Book sets minimum standards for electrically safe work on, near or in the vicinity of high voltage electrical apparatus, and is mandated by the Electricity Safety (Network Assets) Regulations 1999 and the Electricity Safety (Installations) Regulations 1999.

Major changes in the revised Blue Book include:

- Alignment of provisions with the National Electricity Network Safety Code standards for work on high voltage electrical networks, where appropriate
- Definitions are aligned with the National Electricity Network Safety Code, where appropriate
- The provision of a new section covering general safety requirements such as risk assessments, first aid, personal protective equipment, use of safety observers, fit state for work and electric fields
- Information on new limits of approach distances. They are now called safe approach distances and have a new method of application
- A requirement for regular testing of portable earthing devices has been added to testing of other safety equipment such as insulating mats, insulating gloves and switch sticks.

### Electric Line Clearance

This reporting period was the first full year of operation of the Electricity Safety (Electric Line Clearance) Regulations 2005, which provides vegetation managers with flexibility to make more sympathetic decisions relating to line clearing in important and significant vegetation areas.

The Regulations require management plans to be submitted to ESV annually for approval. All submissions were reviewed in depth during the reporting period to ensure that they capture the requirements contained in the current regulation.

Audits conducted by ESV in the period confirmed that transmission and distribution utilities were generally carrying out appropriate practices in regard to keeping trees clear of high voltage powerlines in fire prone areas.

To provide independent and wide ranging advice to ESV or the Minister for Energy Industries and Resources on matters relating to the clearance of electric lines, legislation provides for an Electric Line Clearance Consultative Committee to be established. In this current period ESV facilitated the formation of a new committee.

Construction work on the Basslink transmission towers



Below Miriam Shapiro, Licensing Officer



**LICENSING AND PROFESSIONAL DEVELOPMENT****Licensing statistics**

Activity	Result 10/08/2005 - 30/06/2006	Result 01/07/2004 - 09/08/2005	Result 2003/2004*	Result 2002/2003*	Result 2001/2002*
<b>Worker Standards</b>					
Electrician's Licence 'E' (new applications)	999	915	811	827	811
Electrician's Licence 'E' (renewals)	4,459	5,282	3,456	3,479	4,555
Supervised Worker's Licence 'L' (new applications)	221	312	383	302	273
Electrician (Supervised) Licence 'ES' (renewals)	75	109	396	601	110
Disconnect/Reconnect Worker's Licence 'D' (new applications)	452	480	627	644	607
Disconnect/Reconnect Worker's Licence 'D' (renewals)	906	910	1,124	1,141	1,023
"Unrestricted" Electrical Mechanic's Licence to Electrician's Licence 'UN' (changeover)	0	5	8	16	16
Occupier's Licence 'O' (new applications)	2	0	0	0	0
Occupier's Licence 'O' (renewals)	1	1	11	16	4
Registration of Spotters (new)	1,069	-	-	-	-
Registration of Lineworkers (new)	269	-	-	-	-
Total number of licences issued	7,115	8,208	6,915	7,026	7,399
Total number of licences in place	35,228	34,875	34,128	33,543	33,028
Electrical Inspector's Licence (new applications)	16	9	38	28	13
Electrical Inspector's Licence (renewals)	286	337	303	279	277
Total number of inspector's licences issued	302	346	341	307	290
Total number of inspector's licences in place	318	326	318	309	292
Registration of electrical contractor (initial registration)	626	850	802	555	493
Registration of electrical contractor (renewal of registration)	7,289	8,208	7,783	6,837	7,370
Total number of registrations issued	7,915	9,058	8,585	7,392	7,863
Total number of registrations in place	8,848	8,712	8,330	8,029	7,733
Random phone audits of registered electrical contractors	7,773	6,020	6,578	6,760	3,754
Random phone audits of electrical workers	8,245	8,418	9,684	9,776	2,078
No. of meetings of the Electrical Licensing Registration Advisory Committee	6	6	6	5	6
No. of days taken to approve fully compliant registration applications	2.5	2.09	2.18	2	3.3
No. of days taken to approve fully compliant licence applications	2.5	2.2	2.7	3	3
Total number of Electrician Licences	25,386	24,832	24,087	23,318	NA
Total number of Supervised Worker's Licences	1,244	1,276	2,079	2,274	NA
Total number of Disconnect/Reconnect Licences	7,865	7,973	7,843	7,583	-
Total number of Occupiers Licences	34	33	35	37	NA
Total number of registered Spotters	2,075	-	-	-	-
Total number of registered Lineworkers	2,244	-	-	-	-

\* Figures from the former OCEI

### Technical Supervisor Policy

The policy to enable technical supervisors to be appointed by registered electrical contractors based on demonstrated experience and competency was introduced in May 2004 and has continued to work well for the industry.

### Licence Renewal Policy

A new policy has been introduced to ensure that the skills of Victoria's electricians are maintained at the highest possible standard and meet the requirements of the Electricity Safety (Installations) Regulations.

Electricians who have left the industry and not renewed their licences for the past five years or more are now required to successfully complete the appropriate assessment before a new electrician's licence is issued.

### Disconnect/Reconnect Licences

ESV is continuing to direct significant additional focus to the issuing of Disconnect/Reconnect or 'D' Licence.

The 'D' Licence is a restricted licence which must support a suitable primary work function, such as plumbing, mechanical fitting or gasfitting. Such licences enable tradespeople, other than licensed electricians, to carry out restricted electrical work when conducting their normal occupation. The electrical work is restricted to the disconnection and reconnection of the same type and size of electrical equipment or components of electrical equipment, such as, the element of a hot water service.

In the past there has been a significant number of ineligible applicants for 'D' licences as their work did not qualify under the suitable primary work function category and demonstrated significant lack of compliance with the Electricity Safety Act and Electricity Safety (Installations) Regulations through not using Certificates of Electrical Safety. Applications continue to be rejected for these reasons.

When a disconnect/reconnect licence is issued, a letter is sent to the licence holder's employer to stress the need for the licence holder to comply in full with the Electricity Safety Act and Electricity Safety (Installations) Regulations.

### Communicating Licensing issues

ESV continued to communicate with Registered Training Organisations (RTOs) to ensure that they understand the requirements of the licences for which they provide training and assessment.

The ESV licensing section deals with an average 1,500 phone calls each month from stakeholders wishing to discuss issues relating to RECs, Licensed Electrical Workers, the use, sale and dispatch of Certificates of Electrical Safety, UserID and PINs, the Interactive Voice Response (IVR) system, electrical wholesalers selling Certificates of Electrical Safety and other general queries.

ESV continued to provide input into the national review of the National Electrotechnology Training Package, particularly for apprentice electricians. Ongoing discussions were held with Office of Training and Tertiary Education (OTTE), industry stakeholders and RTOs of the need for the new training package to be introduced in order to streamline the training and the issuing of licences.

Discussions have also taken place with OTTE about a suitable auditing regime for RTOs once the new training package was implemented.

Further, ESV continued to consult and communicate widely through forums such as:

- Electrical Licensing and Registration Advisory Committee (ELRAC)
- Industry forums with NECA and the ETU
- Development of new specialised training course frameworks
- Foundations for Safety Committee chaired by Worksafe Victoria and is a tripartite committee
- Marine Safety Victoria
- Department of Primary Industries – Mines and extraction industries
- Trade Nights
- TAFE Senate for electrical teachers
- Electroskills Council and Electricity Supply Industry Council under the chair of the EPIC Industry Training Board
- Licensed Electrician Assessment Steering Committee
- Profiling Steering Committee.

### Licensed Electrician Assessment

ESV continued to work with the EPIC Industry Training Board to enhance the new electrical licensing assessment system in Victoria. The Licensed Electricians Assessment (LEA) has improved the flow of apprentices through the system to become qualified electricians without any "watering down" of the high standards required.

As reported in last year's OCEI Annual Report, if an apprentice passes two parts of the three part LEA assessment and fails the third, he or she will only need to re-sit the unsuccessful part.

Further, to improve the quality of training and competency for electrical apprentices, ESV has contributed to the development of an acceptable "profiling system" for apprentice electricians in conjunction with the industry.

### Mutual recognition of licences

Director of Energy Safety Ken Gardner represents ESV on COAG's Electricians, Air Conditioning and Refrigeration Mechanics Action Group which is charged with developing a framework for the introduction of mutual recognition of electrical qualifications across all Australian states and territories.

COAG has agreed that by June 2007, all jurisdictions will have achieved full and effective mutual recognition of occupational licenses for general electricians, general plumbers, motor mechanics, refrigeration and air-conditioning mechanics, carpenters and joiners, and bricklayers.

There is also agreement by governments that by 31 December 2008, all jurisdictions will have achieved full and effective mutual recognition of occupational licences across all vocationally trained occupations.

ESV also worked with the industry, COAG and Trades Recognition Australia to assimilate into Australia overseas skilled workers such as lineworkers, electricians and electrical fitters.

### Registration of lineworkers

ESV worked with the Victorian electrical industry to progress the issuing of Passports to skilled workers, such as lineworkers, to ensure that their skills are recognised across all states/territories by employers.

ESV is investigating the possible introduction of the licensing of lineworkers.

ESV also worked closely with the traction industry, in both tram and rail areas, to assist in the development of a suitable registration system for traction workers.

**It has been a busy and successful year across all of ESV's roles and responsibilities relating to gas safety. All commitments have been met.**

**Among other work, ESV contributed extensively to national standards work on pipelines, gas networks, appliance installation code, appliance standards and gas quality standards.**

### SERIOUS INCIDENTS

There were no gas related fatalities recorded in Victoria in 2005/06.

### SAFETY CASES

A Safety Case sets out the safety policies and business processes developed and implemented by gas companies to demonstrate how they ensure that gas is provided safely to the Victorian community.

During this reporting period there were 33 accepted safety cases overseen by ESV.

While no new gas business safety cases were accepted during the year, a number of safety cases were amended to reflect changes in ownership structure through mergers. These were Energy Australia / International Power Mitsui and Treston Gas / Origin. Additionally, Bluescope Steel's safety case for the complex gas installation at its Hastings steel works was accepted by ESV.

ESV continued its program of safety case compliance audits to confirm that gas safety risks are being managed by gas companies to a level that is as low as reasonably practicable. ESV conducted the following 45 safety case audits:

- 16 transmission pipeline company audits (including VENCORP)
- 6 distribution pipeline company audits
- 8 natural gas retail company audits
- 11 LP Gas company audits
- 2 land fill gas pipeline company audits
- 1 complex gas installation audit.

Industry consolidation and restructuring has increasingly required audits to be carried out interstate and at the premises of asset owners, asset managers and fulfillment contractors to complete the audit process.

### Gas Technical Regulators Committee

ESV, through the Deputy Director of Energy Safety, is a member of the Gas Technical Regulators Committee which is made up of technical regulators responsible for gas safety matters in each Australian state and territory, and New Zealand.

The Committee works towards a consistent regulatory environment and a common approach between jurisdictions in gas safety and technical activities.

**Below Complex Gas Installation at Coode Island**



**Below (left to right) Luis Mayo (Gas Safety Analyst/Auditor) and Ignazio Cannizzo (Gas Safety Adviser) discussing a safety case**



## SAFETY OF GAS APPLIANCES

### Certification of gas appliances

ESV has accepted the SAI Global certification scheme which will provide an alternative to that operated by The Australian Gas Association. Certifying organisations are required to have JASANZ or equivalent acceptance to ensure an ongoing auditing process of their procedures. Laboratories which test on behalf of the certifying organisation are required to have NATA accreditation.

The Australian Standards for Type A gas appliances often lag the certification needs under the strict conformity requirements of the current regime and ESV has provided regulatory acceptance of a number of variations and innovations. Nationally, the gas appliance safety regime remains under review by the Gas Technical Regulator's Committee and ESV has provided extensive input to this review through its active participation in committee work and direct liaison with other state regulators.

### Sale of gas appliances

ESV continues to monitor appliances offered for sale to ensure they meet safety standards and are certified under an accepted scheme.

Shops and showrooms continue to account for the majority of gas appliances sales but there are new channels emerging, in particular the internet.

During the reporting period ESV conducted sixty point-of-sale compliance audits at appliance retail outlets. The vast majority were selling certified appliances. A number of warning letters were issued regarding the need for certification and some instances have been referred to ESV's Investigations & Prosecutions section for further action.

### Installation of gas appliances

The safety and quality of most residential gas appliance installations, conducted by licensed plumbers and gasfitters, is administered by the Plumbing Industry Commission (PIC) – the registration body for these workers. ESV is responsible for gas safety and oversees the gas safety outcomes by auditing the PIC's procedures. One audit was conducted during this reporting period.

### Keeping gas appliances working safely and in good repair

In June 2006 ESV broadcast a new television commercial warning of the need for regular servicing and safety checks for gas appliances. An underlying message from the commercial warned of the danger of carbon monoxide poisoning from poorly maintained and ventilated gas appliances.

Broadcasting the commercial represents just one stage of the ESV campaign to alert the general community and the medical profession to be aware of carbon monoxide poisoning – the predominant cause of fatality associated with gas use in Victoria and Australia over the last 10 years or so.

Following a fatal incident in Mornington in 2003 involving an open flued instantaneous gas water heater (IGWH) in the toilet of a Housing Commission of Victoria design house, ESV, and its predecessor OGS, has been conducting campaigns to remove these heaters from toilets and bathrooms in these types of houses.

The installation of IGWHs in toilets and bathrooms is now prohibited.

In Victoria some 57,000 houses built by the Office of Housing (OoH) and its predecessor the Housing Commission of Victoria have been identified as a major potential source of houses containing prohibited IGWH installations. Of these 23,000 were sold and are now in private hands and 34,000 are still managed by OoH.

OoH has a program to remove all IGWHs from toilets, bathrooms and laundries in their properties and plans to have them removed by July 2008. This work is now progressing and was subject to an ESV audit in May.

ESV now proposes to undertake appropriate programs to determine an estimate of how many privately owned former Housing Commission properties contain the open flued instantaneous gas hot water heaters.

In support of its community messages and television campaigns promoting service, maintenance and gas safety checks, ESV has integrated complementary information and advice to meet the needs of specific groups, including:

- Increasing community awareness of the threat and symptoms of carbon monoxide poisoning
- Addressing gas safety in the private rental housing sector through property agents and landlords
- Minimising the indoor use of outdoor heaters
- Addressing inadequate servicing of gas appliances
- Increasing the awareness of persons engaged in gas appliance servicing of the need for rigorous checking of ventilation, flue systems and flue performance
- Overcoming the expectation that very old appliances will perform safely forever.

### Unsafe situations and gas appliance installation

ESV introduced a new scheme for identifying unsafe situations and to provide guidance and clarity for gasfitters. This scheme introduces new terms "Immediately Dangerous" and "At Risk" to classify unsafe situations and definitions to assist their reporting. The scheme provides a simple "one stop shop" for reporting via the Gas Emergency Telephone Service 132 771.

Gas Installation testing



### Commercial outdoor heater and LP Gas safety campaign

Responding to safety concerns resulting from the proliferation of outdoor heaters used in public places, ESV, in cooperation with the Metropolitan Fire Brigade, Country Fire Authority and WorkSafe, developed practical safety guidelines and a major communications campaign aimed at the catering services industry and local councils.

The campaign was underway as ESV was officially established.

In the "Take on the Critics" campaign, over 12,000 Victorian restaurant, café and bar owners received practical advice on how to prevent serious accidents involving LP Gas and outdoor heaters.

The campaign introduced guidelines which provide business owners and staff with a safety standard, as well as practical steps for the management of occupational health and safety, public liability and business risks relating to LP Gas and portable outdoor heaters.

The guidelines emphasised that fixed piped installations are preferable to portable appliances as they avoid the problem of storing and handling LP Gas cylinders. Alternatives to discourage the dangerous practice of decanting LP Gas from one cylinder to another were also addressed within the guidelines.

Portable outdoor heaters have also introduced a new element for local councils to manage when dealing with footpath trading. Guidelines have been presented to councils across Victoria, and have already been adopted by the Cities of Yarra, Port Phillip, Melbourne and Moonee Valley through inclusion in footpath trading policies.

Restaurant and Catering Victoria, the peak industry body representing restaurants, cafes, caterers and food service businesses, has also endorsed this project and has actively worked with ESV to promote the key messages throughout its industry.

The campaign will be intensified with the introduction of the revised Australian Standard AS1596 which relates to the storage and handling of gas cylinders.

### Burns in commercial kitchens campaign

ESV was involved with other organisations in the development of new first aid guidelines aimed at reducing the increasingly high number of burn injuries recorded in commercial kitchens. The guidelines aim to inform chefs and kitchen staff what they should do if burned and how the burns should be treated.

The guidelines were launched as part of Injury Prevention Week in October 2005 by The Alfred Hospital's Victorian Adult Burns Service (VABS), in conjunction with ESV and WorkSafe Victoria. They were also endorsed by Restaurant & Catering Victoria, The Australian Hotels Association, Clubs Victoria and the Victorian Cookery Educators Network.

The hospitality industry is a major employer in Victoria, with the prevention and treatment of injuries in kitchens a high priority. Burn injuries cost around \$8 million per year in WorkCover claims. The guidelines consist of four simple steps - stopping the burn process, cooling the burn surface, covering the burn and seeking medical advice.

Since 2002, there has been a steady rise in burn admissions to hospital emergency departments across Victoria. From 2002 to 2004, 138 people were admitted to emergency or casualty departments with burn injuries. More than half were under the age of 25 and two-thirds were male.

Copies of the guidelines are available by contacting The Alfred on (03) 9276 2266 or download a copy from [http://www.baysidehealth.org.au/uploads/departmentfiles/269\\_BurnFirstAid.pdf](http://www.baysidehealth.org.au/uploads/departmentfiles/269_BurnFirstAid.pdf).

Below A scene from the commercial outdoor heater and LP Gas safety campaign



## National Response Centre

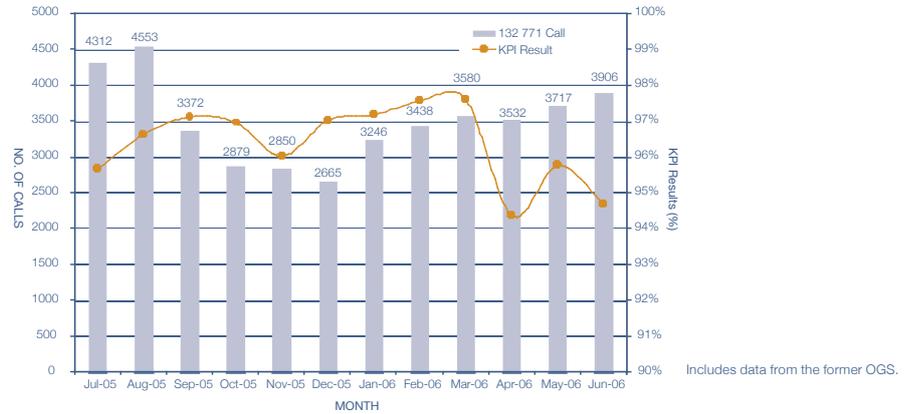
A single point of contact was established in 2003/04 for all gas users and the general public to report escapes or other gas emergencies. The 132 771 number has progressively been introduced to telephone directories where it has been increasingly accepted and used to report gas emergencies.

Response to the emergency calls continue to be provided by Victoria's gas distribution and LP Gas businesses to performance standards specified by ESV.

Statistics for this service are detailed as follows:

## EMERGENCY CALL STATISTICS

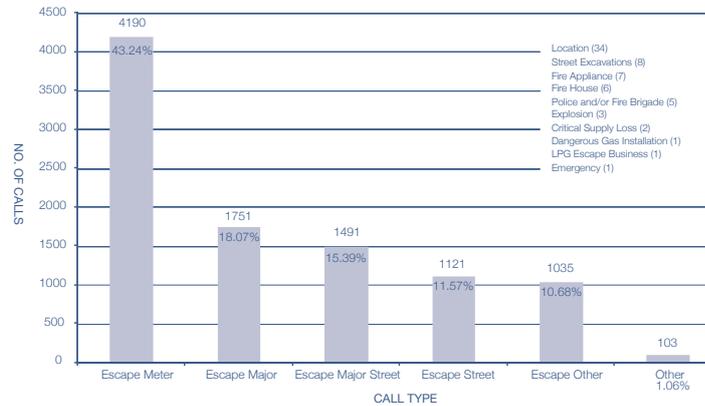
### Total calls to call centre 2005/06



### Total calls to call centre (Quarterly Historical Data)



### Emergency Call Type



Eureka Tower - a view of Melbourne and its gas flues



## INDUSTRIAL AND COMMERCIAL APPLIANCE INSTALLATIONS

### Complex Gas Appliance Inspections

ESV monitors and assesses the safety and integrity of all new and modified industrial and large commercial appliances. These range from combustion systems on gas turbines, large processing furnaces as well as unattended steam boilers and also extend to include simpler commercial gas appliances in restaurants etc.

There were 1,175 new and modified Type B appliances reviewed for acceptance during this reporting period and 245 Type A appliances were accepted under the Australian Gas Association's Tier Two certification scheme.

### Major Industrial Appliance Installations

Gas fired power generation projects have been a significant feature of workload during the year where ESV has worked closely with Snowy Hydro's Laverton North Power Station, consisting of two gas fired turbines that have a combined generating capacity of 300 MW. ESV also assessed several new biogas fired reciprocating engines at Melbourne Water's Werribee sewage treatment works for AGL.

Other installations included refinery gas fired heaters for Mobil Oil, Altona that were part of Mobil's "clean fuels project", several large 100GJ/h gas fired bitumen plants, the Iluka Mineral Sands Project at Hamilton that includes a battery of specialised fluid bed sand dryers, McCain's Ballarat 25 MW steam boiler, as well as several integrated printing and innovative energy saving regenerative thermal oxidisers.

### Gas utilisation at Major Hazard Facilities

Excellent working relationships continued with the WorkCover Major Hazard Division through the regular exchange of information, including quarterly meetings. ESV continues to contribute to the Division's strategic planning for major hazard facilities and assisted the Division in its Facilities Post-licence Oversight Program inspections concerning complex gas installations.

ESV continued to support WorkCover in the assessment of large gas fired appliances at a number of major hazards facilities throughout Victoria. These included completion of the Bass Gas Lang Lang gas production facility, the Woodside Otway gas production facility, and the continued work at Esso Longford on the fired heater upgrade.

### Complex gas installations

ESV monitors and assesses the safety and integrity of the majority of new and modified complex gas installations through the Gasfitting Notice system. Complex gas installations include high rise buildings, factories and commercial buildings.

A total of 4,519 Gasfitting Notices were received in the reporting period.

A number of significant installations took place including the redevelopment of the MCG which involved extensive catering facilities, heating and hot water services.

High rise development within the city has continued with gas providing residential and commercial energy demands. Major projects included the Eureka Tower, Queen Victoria Building, the Waterfront Towers and Victoria Point at Docklands.

ESV also accepted a number of industrial installations supporting major infrastructure development. These projects included the Murray River crossing at Albury Wodonga where LP Gas is being utilised to cure structural concrete sections and the Iluka Mineral Sands Project at Hamilton where natural gas is used in the drying processes.

### Complex gas installation safety case

Following a number of years of joint development, ESV has accepted a Safety Case made by Bluescope Steel for the operation of the complex gas installation at Hastings Works. This is the first application of a safety case to the operation in a major manufacturing or industrial premises in Victoria. ESV acknowledges the commitment of Bluescope Steel to their safety case approach that is now providing systematic management of gas safety at the steel works.

### The Commonwealth Games and other major events

LP Gas is the energy source of choice for cooking and heating at major public events. In the interest of public safety, gas safety audits are conducted throughout Victoria to ensure that organisers and exhibitors comply with relevant safety standards and regulations.

The standout event in 2006 was the Commonwealth Games where ESV supported organisers at many venues including the Games Village where three portable gas kitchens satisfied the athlete's needs preparing some 24,000 meals a day!

During the year another 60 events were audited including the Formula 1 Grand Prix, Melbourne Cup, AFL Grand Final, Bunyip Show, Foster Show and the Ararat Cup.

The brochure – "Gas Safety Self-Check List for Caterers, Food Outlets and Others at Major Events" – was distributed to another 170 event organisers.

## The Commonwealth Games Fish on the Yarra River



## STANDARDS DEVELOPMENT

### National Standards

National safety standards for gas appliances and installations are vital for gas safety. ESV continues to make a large contribution through chairing or participating in key committees and submitting technical comments with respect to the following gas standards and codes: Commercial Catering Equipment, Components, Installations, Paint Spray Booths and Quality of Gas Appliance Servicing.

An ESV officer chairs each of the following committees: Fuel-fired Appliance Code, Industrial & Commercial Gas-Fired Appliances, and Commercial Gas Fired Appliances and Components.

### Development and issues management

ESV has assisted the certifying organisations where existing standards were found to be unsuitable or outdated due to rapid advances in technology and building development.

### Technical Notes, guidance and interpretation

AS 5601 Gas Installations and other associated standards deal with complicated and highly technical issues which at times require some clarification or further explanation.

During this reporting period ESV developed a number of new Technical Notes and Information Sheets which provide interpretations and explanations of some of the most common issues. These easy to understand documents provide guidance in achieving compliance with legislative and safety standards.

## EDUCATION AND DEVELOPMENT

### Presentations and seminars

ESV conducts educational presentations to deliver the latest in gas-related news, technology, safety recommendations and regulations to the industry.

Over the past year, 48 presentations were made to TAFE apprentices, gasfitters, council environmental health officers, high-rise building consultants, specialist trade conventions and Department of Human Service inspectors. ESV recognises the assistance of the Master Plumbers and Mechanical Services Association and gas distribution business in facilitating presentations at many metropolitan and rural venues.

Topics covered issues such as gas installations and responsibilities, changes to Australian Standards, supply pressures, gas use in commercial premises, customer safety, gas in mobile catering vehicles and environmental effects of gas usage.

## ENERGY EFFICIENCY AND SUSTAINABILITY

At the request of the Ministerial Council on Energy, ESV has worked closely with the Australian Greenhouse Office and Sustainability Victoria to prepare a national strategic plan for the enforcement of gas appliance and equipment energy efficiency.

This has seen the formation of the Gas Appliance and Equipment Energy Efficiency Committee and the release of the draft work plan "Switch on Gas" for public comment.

### Gas Industry Emergency Exercise Indigo

Each year, ESV and VENCORP organise an exercise designed to test Victorian gas industry participants' ability to respond effectively to a major gas supply emergency.

The 2006 exercise, "Exercise Indigo", involved a scenario where a large morning gas demand exceeded the supply capacity of gas distribution networks resulting in loss of supply to customers across the metropolitan area.

The exercise focused on testing industry mobilisation during intermediate scale events, communication between businesses and between industry and government, coordination of media responses and the operation of the Gas Emergency Management Group. The exercise was also used to trial the new web-based secure communication platform.

Participant and observer responses indicated that the exercise was a success, particularly noting the improvement in communication through the web-based system.

Following the exercise, a report highlighting improvement recommendations was distributed to industry participants for application across business and operational systems and into emergency action plans.

### Snowy Hydro Gas Fired Electricity Generation at Laverton North



## CORPORATE PERFORMANCE MEASURES

### Standards and Best Practice

Outcome and Measures	2005-06 Target	Actual
<b>Electricity – Supply and Use</b>		
Electricity caused deaths (number)	0	7
Electricity suicides (number)	0	3
Electricity involved serious injuries (number)	0	67
Electricity involved non-serious injuries (number)	0	508
Electricity involved serious incidents without injury (number)	0	76
Electricity involved non-serious incidents without injury (number)	0	546
Electricity-related fires (number)	0	2,544
ESV ranking compared to other Australian States and New Zealand (3 year rolling average/mill)	1	3
<b>Gas – Supply and Use</b>		
Gas caused deaths	0	0
Gas involved suicides	0	0
Gas involved injuries	0	25
Gas related fires (number)	0	142

#### Notes

The total of the figures for incidents and injuries for Safe Networks and Safe Installations and Appliances may be greater than the total figures for ESV because some incidents relate to both areas.

## Safe Materials, Components and Appliances

Outcome and Measures	2005-06 Target	Actual
<b>Electricity</b>		
Recalls (number)	0	5
Compliant equipment submitted for safety approval (percentage)	95%	100%
Compliant equipment check tested for safety (percentage)	95%	0% <sup>1</sup>
Electrical appliances on display in retail outlets with an accurate approvals marking (percentage)	95%	96%
Compliant equipment submitted for energy efficiency approval (percentage)	95%	100%
Compliant equipment check tested for energy efficiency (percentage)	95%	100%
Electrical appliances on display in retail outlets with an accurate energy rating label (percentage)	95%	97%
<b>Gas</b>		
<b>Appliance and Installations</b>		
No. of Type B appliance submissions (assessed/inspected)	1,400	1,175
Average defects per Type B appliance submission completed	0.40	0.01
No. of type A appliances assessed (Australian Gas Association Tier 2)	250	245
Average days to complete Tier 2 from date application received by ESV and appliance operational	4	4
Point of sale inspections/audits	–	60
% of standard installations audited by PIC	5	5.3
% of standard installations found defective on PIC audits	4	9.7
No. of ESV audits of PIC audit process	2	1
Industry presentations	–	33
TAFE presentation	–	15
No of non-standard installation inspections	3,600	4,519
Average defect per non standard installation inspection	0.5	0.4

#### Notes

<sup>1</sup> Two items tested both failed. Both have been actioned.

# PERFORMANCE MEASURES

## Skilled Workforce

Outcome and Measures	2005-06 Target	Actual
<b>Electricity</b>		
<b>Workers Working on the Network</b>		
Compliant transmission company line workers (percentage)	95%	95%
Compliant distribution company line workers (percentage)	95%	95%
<b>Workers Working on the Installations</b>		
Compliant licensed electrical inspectors (percentage)	95%	100%
Compliant registered electrical contractors (percentage)	95%	52%
Compliant licensed electrical installation workers (percentage)	95%	70%
Compliant inspection companies (percentage)	95%	100%
Compliant prescribed electrical work (percentage)	99%	100%
Compliant non-prescribed electrical work (percentage)	95%	94%

## Safe, Secure and Efficient Networks, Facilities and Installations

Outcome and Measures	2005-06 Target	Actual
<b>Electricity</b>		
<b>Safe Networks</b>		
Electricity caused deaths (number)	0	4
Electricity suicides (number)	0	0
Electricity involved serious injuries (number)	0	16
Electricity involved non-serious injuries (number)	0	259
Electricity involved serious incidents without injury (number)	0	16
Electricity involved non-serious incidents without injury (number)	0	452
Electricity-related fires (number)	0	1,269
<b>Safe Installations &amp; Appliances</b>		
Electricity caused deaths (number)	0	3
Electricity suicides (number)	0	3
Electricity involved serious injuries (number)	0	51
Electricity involved non-serious injuries (number)	0	249
Electricity involved serious incidents without injury (number)	0	60
Electricity involved non-serious incidents without injury (number)	0	95
Electricity-related fires (number)	0	1,275
Properties with safety switches installed (percentage)	65%	60%

### Notes

The total of the figures for incidents and injuries for Safe Networks and Safe Installations and Appliances may be greater than the total figures for ESV because some incidents relate to both areas.

## Safe, Secure and Efficient Networks, Facilities and Installations

Outcome and Measures	2005-06 Target	Actual
<b>Gas</b>		
<b>Gas Networks</b>		
Gas caused deaths	0	0
Gas involved suicides	0	0
Gas involved injury	0	2
<b>Gas Supply</b>		
Number of leak repairs/km/year	1.1	1.18 <sup>1</sup>
Number of outstanding leaks/km	0.15	1.19 <sup>1</sup>
Damage to assets <1,050 kPa	3,600	3,514 <sup>1</sup>
Damage to assets >1,050 kPa	0	0
Emergencies > Level 2	13	2
Loss of supply affecting > 5 customers	25	66
Loss of supply affecting > 100 customers	2	2
Loss of supply affecting > 1,000 customers	0	0
No. of approved safety cases	–	33
No. of safety case audits per company per annum		
– Natural Gas Transmission & Distribution	2	1.69
– Other	1	1.33
– Retail	1	1
– LPG	1	1.14
Emergency management exercises per company per year	2	0.71 <sup>1</sup>
% of priority 'A' emergency calls responded to within 60 minutes		
– Metropolitan BH	98%	97% <sup>1</sup>
– Metropolitan AH	98%	93% <sup>1</sup>
– Country (all hours)	98%	95% <sup>1</sup>
<b>Gas Use</b>		
Gas caused deaths	0	0
Gas involved suicides	0	0
Gas involved injury	18	23
Investigations into breaches of Act and Regulations	50	37
Reports of unsafe installations	140	107 <sup>4</sup>
Reported fires/explosions/asphyxiation		
– Gas caused	110	47
– Gas directly involved	180	95
– Gas incidentally involved	20	61
– Gas not involved	30	56
– Cause unknown	45	10
– Total	385	269 <sup>3</sup>
No. of consultative workshops	–	6

### Notes

1 Information given quarterly

2 Upstream

3 Greatly decreased reporting with insufficient detail to process incidents

4 Incomplete data from fire authorities

## Educated Community and Safety Partners

Outcome and Measures	2005-06 Target	Actual
<b>Community</b>		
Reach of public awareness campaign (percentage)	95%	86%
Recall of electricity safety messages (percentage)		
“Look Up and Live” (regional and rural Victoria only)		95%
“Safety Switches Save Lives”		82%
“Always Treat Gas with Respect”		67%
“Don't Take Electricity for Granted”		64%
“Don't Do Electrical Work Yourself”		73%
“Arrange a Home Safety Inspection”		45%

## Professional Organisation

Outcome and Measures	2005-06 Target	Actual
<b>Financial</b>		
Expense to income ratio (number)	1.04	1.01
Current asset to liability ratio (number)	–	1.36
Income on target (percentage)	95%	102%
Operating expenditure on target (percentage)	95%	98%
Capital on target (percentage)	100%	82%
Industry levies to total revenue (percentage)	44%	46%
Total compliance costs to certificate sales (percentage)	49%	49%
<b>Human Resources</b>		
Workforce availability	98%	98%
Lost time injuries	0	2
Motor vehicle accidents	0	3
Employees retained	95%	84%
<b>Information Technology</b>		
Hardware performance (percentage)	95%	98%
System software performance (percentage)	95%	98%
Application software performance (percentage)	95%	98%

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# OPERATING STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2006

	Notes	Period Ended 30 June 2006 (\$'000)
<b>REVENUE FROM ORDINARY ACTIVITIES</b>	2	16,604
<b>Total Revenue from ordinary activities</b>		<b>16,604</b>
<b>EXPENSES</b>		
Employee benefits expense	4a	(7,360)
Compliance Audits		(1,827)
Depreciation & Amortisation	3	(403)
Other expenses from ordinary activities	4b	(7,154)
		<b>(16,744)</b>
<b>Net result from operating activities</b>	12b	<b>(140)</b>

The above Operating Statement should be read in conjunction with the accompanying notes

# BALANCE SHEET

AS AT 30 JUNE 2006

	27	28
	Notes	30 June 2006 (\$'000)
<b>CURRENT ASSETS</b>		
Cash Assets	10b, 11	4,514
Receivables	5, 11	2,169
Accruals		76
<b>Total Current assets</b>		<b>6,759</b>
<b>NON-CURRENT ASSETS</b>		
Receivables – Rental Bond	6, 11	252
Plant and equipment	7	882
Intangibles	7a	288
<b>Total Non-current assets</b>		<b>1,422</b>
<b>Total assets</b>		<b>8,181</b>
<b>CURRENT LIABILITIES</b>		
Payables	8, 11	2,086
Provisions	9a	2,902
<b>Total Current liabilities</b>		<b>4,988</b>
<b>NON-CURRENT LIABILITIES</b>		
Provisions	9b	36
<b>Total Non-current liabilities</b>		<b>36</b>
<b>Total liabilities</b>		<b>5,024</b>
Net Assets		3,157
<b>EQUITY</b>		
Contributed Capital	12a	3,610
Accumulated Surplus	12b	(453)
<b>Total equity</b>	<b>12c</b>	<b>3,157</b>
Contingent Liabilities	13	
Commitments for expenditure	15	

The above Balance Sheet should be read in conjunction with the accompanying notes

# STATEMENT OF RECOGNISED INCOME AND EXPENSE

FOR THE PERIOD ENDED 30 JUNE 2006

	Notes	Period Ended 30 June 2006 (\$'000)
Transfer of Net Assets from Prior Organisations	12a	3,610
<b>Net Income Recognised Directly in Equity</b>		<b>3,610</b>
Net result for period	12b	(140)
<b>Total Recognised Income and Expense for the period</b>		<b>3,470</b>
Correction of Errors	12b	(313)

The Statement of Recognised Income and Expense should be read in conjunction with the accompanying notes.

# STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2006

	Notes	Period Ended 30 June 2006 (\$'000)
		INFLOWS (OUTFLOWS)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers (exclusive of goods and services tax)		16,100
Goods and Services Tax recovered from ATO		872
Goods and Services Tax paid to ATO		(752)
Interest received		134
Payments to suppliers and employees		(7,884)
Payments to employees		(7,499)
<b>Net cash inflow/(outflow) from operating activities</b>	10a	<b>971</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for plant and equipment		(471)
Additions of intangibles		(164)
<b>Net cash (outflow) from investing activities</b>		<b>(635)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Transfer of funds from merged entities		4,178
Net cash (inflow) from financing activities		<b>4,178</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD:</b>		<b>4,514</b>
Cash at the beginning of the financial period		0
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>	10b	<b>4,514</b>

This Statement of Cash Flows should be read in conjunction with the accompanying notes

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of Accounting

The financial statements have been prepared on an accrual basis of accounting and are in accordance with the Financial Management Act 1994, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Consensus Views. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS).

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounts have been prepared under the historical cost convention and except where stated do not take into account current valuations of non-current assets.

These financial statements have been authorised for issue by Alan Kelly, Chief Financial Officer.

### b) Establishment

Energy Safe Victoria was formed as a result of the merger of the Office of Gas Safety and the Office of the Chief Electrical Inspector. The new identity commenced operations on 10 August 2005. These reports for Energy Safe Victoria are for the period 10 August 2005 to 30 June 2006.

### c) Comparative Information

As Energy Safe Victoria commenced operations on 10 August 2005, there is no comparative information which can be included in this report.

### d) Cash

For purposes of the statement of cash flows, cash includes deposits at call and other highly liquid investments with short terms to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

### e) Receivables

All debtors are recognised at the amounts receivable as they are due for settlement at no more than 30 days from the date of recognition.

Collectability of debtors is reviewed on an on-going basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

### f) Plant and Equipment

All items of plant and equipment are recorded in the accounts at historical cost. All assets are capitalised if the purchase price exceeds \$1,000. Plant and equipment is depreciated over the estimated economic life of the asset to Energy Safe Victoria and is calculated on the following basis:

- Furniture and Fixtures		10% - 33.3%
- Office Machines	}	33.3%
- Office Computers	}	
- Leasehold Improvements		30%

### g) Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance such as patents, trademarks, goodwill, computer software and development costs (where applicable).

Intangible assets are recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to Energy Safe Victoria.

Amortisation is allocated to intangible assets with finite useful lives on a systematic basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible assets with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Software is amortised over its useful life to Energy Safe Victoria and is calculated on a 33% straight line basis from the date that it is ready for use.

### h) Employee Benefits

#### i) Wages and Salaries

Liabilities for wages and salaries are recognised, and are measured as the amount unpaid at the reporting date at rates at which the liability is expected to be settled including oncosts, in respect of employees' services up to that date.

#### ii) Employee Benefits Provision

AASB 119 requires the calculation of employee provisions to be reflective of the expected future wage and salary levels of current employees, inclusive of on-costs. During the period from 10 August 2005 to 30 June 2006, Energy Safe Victoria has adjusted employee provisions in accordance with the requirements set out in AASB 119.

#### iii) Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. (Refer: Note 9c).

#### iv) Superannuation

The amount charged to the Operating Statement in respect of superannuation represents the contributions made by Energy Safe Victoria to the EquipSuper Pty Ltd Fund and the Government Superannuation Office (Refer: Note 16).

### i) Payables

These amounts represent liabilities for goods and services provided to Energy Safe Victoria prior to the end of the financial period and which are unpaid. The amounts are unsecured and are usually paid within 21 days of recognition.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

## j) Revenue Recognition

Revenue resulting from sale of goods and services and regulatory fees is, where possible, recognised when the transaction or event giving rise to the revenue occurs.

Specifically, material revenues arise from the following:

- Registration and Licence fees paid by electrical workers
- Sales of certificates of electrical safety
- Fees paid by manufacturers and importers of electrical equipment for certificate of safety approval prior to the goods being made available for sale
- Fees paid by manufacturers to cover hazardous location investigations
- Levy charged on the Electricity Industry to ensure compliance with the Electricity Safety Act 1998 and associated Regulations
- Levies charged on the Gas Industry to ensure compliance with the Gas Safety Act 1997 and associated regulations
- Interest income is recognised as it accrues and is based upon interest rates and tenor applicable to the invested funds.

## k) Enabling legislation

Energy Safe Victoria is given the authority to operate by way of the Electricity Safety Act 1998, the Gas Safety Act 1997 and the Energy Safe Victoria Act 2005.

## l) Leases

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Operating Statement in the periods in which they are incurred.

## m) Financial Instruments

Receivables (Note 5) are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable. The collectibility of debts is reviewed regularly, and at balance date, to assess the need for specific provision of any doubtful debts. Credit sales are on 30-day terms.

Payables (Note 8) are recognised for amounts to be paid in the future for goods and services received. Trade payables are normally settled on 21-day terms.

Short Term Deposits are stated at their nominated amount. Interest is recognised in the Operating Statement when earned. The short term deposits have a weighted maturity of 49.5 days and effective interest rates 5.35% to 5.65%.

The aggregate net fair values of recognised financial assets and liabilities, at balance date, are equal to their carrying amount as per the Balance Statement.

## n) Compliance Audit

Compliance audit expenditure relates to payments paid to private inspection companies engaged by Energy Safe Victoria to conduct audits, on behalf of Energy Safe Victoria, on non-prescribed electrical installation work carried out by registered electrical contractors and licensed electrical workers.

## o) Rounding of Amounts

Amounts in the financial report have been rounded to the nearest thousand dollars or in other cases to the nearest dollar.

Period Ended  
30 June 2006  
(\$'000)

## NOTE 2: REVENUE

### (a) Revenue from ordinary activities

Licence Fees	2,455
Emergency Telephone Service Fees	233
Safety Case Audit Fees	140
Approval Fees	340
Certificates of Electrical Safety	4,076
Electrolysis	867
Appliance Efficiency	112
Hazardous Location Investigations	191
Safety Management Schemes	125
Other	148
<b>Sub Total fees</b>	<b>8,687</b>
Industry Levy - Electricity	3,276
Industry Levy - Gas	4,017
<b>Total revenue from ordinary activities</b>	<b>15,980</b>

### (b) Revenue from outside the ordinary activities

Advertising Space Revenue	204
Legal Cost Recoveries	44
Interest	134
Other	242
<b>Total revenue from outside ordinary activities</b>	<b>624</b>

**Total Revenue 16,604**

Period Ended  
30 June 2006  
(\$'000)

## NOTE 3: DEPRECIATION AND AMORTISATION

Outlined below are the amounts charged for depreciation and amortisation in the current period for each class of asset in the Balance Sheet:

Furniture and Fixtures	36
Office Machines/Computers	189
Software	136
Leasehold Improvements	42
<b>Total</b>	<b>403</b>

Period Ended  
30 June 2006  
(\$'000)

## NOTE 4A: EMPLOYEE BENEFITS EXPENSE

Outlined below is the detailed breakdown related to employee benefits expense

Salaries	6,971
On-costs	
Superannuation	68
Annual Leave (movement)	(63)
Long Service Leave (movement)	(48)
Workers Compensation	47
Payroll Tax	358
Fringe Benefits Tax	27
<b>Subtotal On-costs</b>	<b>389</b>

**7,360**

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

	Period Ended 30 June 2006 (\$'000)
<b>NOTE 4B: OTHER EXPENSES FROM ORDINARY ACTIVITIES</b>	
Rent	701
Advertising	1,993
Motor Vehicle Expenses	759
Printing & Stationery	345
Telecommunications	443
Consulting Fees	300
Emergency Response	63
Emergency Response Telephone	305
Business Services	271
Legal Fees	93
Admin Fees – Certificates of Electrical Safety	191
Insurance	411
Computer Expenses	369
Travel Expenses	128
Training & Education	65
Compliance & Audit Services (including Bushfire Mitigation)	163
Office Equipment	145
Committee Member Fees	8
Hazardous Location Investigations	75
Other	326
	7,154

	30 June 2006 (\$'000)
<b>NOTE 5: CURRENT ASSETS - RECEIVABLES</b>	
Approval fees	100
Electrolysis fees	285
Appliance Efficiency fees	43
Distribution Businesses	604
Agent – Certificate of Electrical Safety	672
G.S.T. Input Tax Credit	193
General	379
	2,276
Less Provision for Doubtful Debts	(107)
	2,169

An amount of \$379,145 reported as General Receivable for the Period Ended 30 June 2006 relates to the work undertaken by Energy Safe Victoria for the installation of electrical equipment in hazardous locations throughout the State (\$102,639), ESV magazine (\$48,013) and Other (\$228,493).

A provision for doubtful debts has been established of \$107,347 which follows a review of outstanding debtors.

	30 June 2006 (\$'000)
<b>NOTE 6: NON CURRENT ASSETS - RECEIVABLES</b>	
Rental Bond	252
	252

The rental bond represents the payment made by Energy Safe Victoria, held in trust, to secure the premises at 4 Riverside Quay, Southbank.

	30 June 2006 (\$'000)
<b>NOTE 7: NON-CURRENT ASSETS - PLANT AND EQUIPMENT</b>	
Furniture and fixtures at cost	182
Less: accumulated depreciation	(36)
	146
Office Machines at cost	638
Less: accumulated depreciation	(189)
	449
Leasehold Improvements at cost	329
Less: accumulated depreciation	(42)
	287
Summary:	
Plant and equipment at cost	1,149
Less: accumulated depreciation	(267)
Carrying amount at end of period	882

#### Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial period are set out below. Any variance is due to rounding factors.

	Furniture & Fixtures (\$'000)	Office Machines (\$'000)	Leasehold Improve- ments (\$'000)	Total (\$'000)
30 June 2006				
Transfers from Prior Entities	119	444	114	677
Additions	63	194	215	472
Disposals	-	-	-	-
Depreciation expense	(36)	(189)	(42)	(267)
	146	449	287	882

	30 June 2006 (\$'000)
<b>NOTE 8: NON-CURRENT ASSETS - INTANGIBLES</b>	
Software at cost	424
Less: accumulated amortisation	(136)
	288

	30 June 2006 (\$'000)
<b>NOTE 9: CURRENT LIABILITIES - PAYABLES</b>	
Transfers from Prior Entities	260
Additions	164
Disposals	-
Amortisation expense	(136)
	288
	30 June 2006 (\$'000)

	30 June 2006 (\$'000)
<b>NOTE 9: CURRENT LIABILITIES - PAYABLES</b>	
Payables	2,016
GST Output - Sales	25
Payroll Suspense	70
Rental Bond Held	(25)
	2,086

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

	30 June 2006 (\$'000)
<b>NOTE 9A: CURRENT LIABILITIES - PROVISIONS</b>	
Superannuation	4
Employee benefits - annual leave	1,015
Employee benefits - retirement gratuity	24
Employee benefits - long service leave	1,824
Payroll Tax	35
	2,902

All annual leave and long service leave entitlements representing 7+ years of continuous service:

- short-term employee benefits that fall due within 12 months after the end of the period measured at nominal value – annual leave = \$512.
- other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value – annual leave = \$503.

	30 June 2006 (\$'000)
<b>NOTE 9B: NON-CURRENT LIABILITIES - PROVISIONS</b>	
Employee benefits - long service leave	36
	36

Long service leave representing less than 7 years of continuous service measured at present value.

## NOTE 9C: EMPLOYEE BENEFITS

All annual leave and unconditional vested LSL representing 7+ years of continuous service is:

- (a) disclosed in accordance with AASB 101, as a current liability even where the agency does not expect to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months;
- (b) measured at:
  - nominal value under AASB 119 where a component of this current liability is expected to fall due within 12 months after the end of the period; and
  - present value under AASB 119 where the entity does not expect to settle a component of this current liability within 12 months.

LSL representing less than 7 years of continuous service is:

- (a) disclosed in accordance with AASB 101 as a non-current liability; and
- (b) measured at present value under AASB 119 as the entity does not expect to settle this non-current liability within 12 months.

	30 June 2006 (\$'000)
<b>Long Service Leave</b>	
Weighted average discount rate	5.15%
Number of Employees	89

	30 June 2006 (\$'000)
<b>NOTE 10A: CASH FLOW</b>	
Reconciliation of net cash used in operating activities to operating surplus.	
Operating surplus/(deficit)	(140)
Depreciation/Amortisation	403
Doubtful Debts	(42)
	221

## Change in assets and liabilities

Current assets	
Decrease/(Increase) in receivables	(46)
Decrease/(Increase) in accruals	(76)
Net Decrease/(Increase) in current assets	(122)

Non-current assets	
Decrease/(Increase) in receivables	-
Net Decrease/(Increase) in non current assets	-

Current liabilities	
Increase/(Decrease) in payables	1,033
Increase/(Decrease) in other	(22)
Increase/(Decrease) in provisions	16,824
Net Increase/(Decrease) in current liabilities	2,653

Non-current liabilities	
Increase/(Decrease) in provisions	(1,781)
Net Increase/(Decrease) in non-current liabilities	(1,781)

Net cash flows from operating activities	971
--	-----

	30 June 2006 (\$'000)
<b>NOTE 10B: CASH ASSETS</b>	
Cash on hand	3
Bank	854
Deposits – @ call	598
Deposits – NCD/Bills	3,059
	4,514
Balances as above	4,514
Balances as per statement of cash flow	4,514

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

## NOTE 11: FINANCIAL INSTRUMENTS

### a) Interest Rate Risk Exposures

Energy Safe Victoria exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Note	Fixed Interest Rate		Total (\$'000)
		Floating Interest Rate (\$'000)	Non- interest bearing (\$'000)	
<b>Financial Assets</b>				
Cash	10b	4,514	-	4,514
Receivables	5, 6	252	2,169	2,421
		<u>4,766</u>	<u>2,169</u>	<u>6,935</u>
Weighted Average Interest Rate	5.55%			

### Financial Liabilities

Payables	8	-	2,086	2,086
Net Financial Assets		<u>4,766</u>	<u>83</u>	<u>4,849</u>

### b) Credit Risk Exposures

The credit risk on financial assets of Energy Safe Victoria which have been recognised on the Balance Sheet, is the carrying amount, net of any provision for doubtful debts.

### c) Net fair values of financial assets and liabilities

Valuation approach

The carrying amounts of cash assets, receivables, investments and payables approximate their net fair value.

	Note	30 June 2006 (\$'000)	Net Fair Value (\$'000)
<b>Financial Assets</b>			
Cash Assets	10b	4,514	4,514
Receivables	5, 6	2,421	2,421
		<u>6,935</u>	<u>6,935</u>
<b>Financial Liabilities</b>			
Payables	8	2,086	2,086
Total		<u>2,086</u>	<u>2,086</u>

### d) Reconciliation of Net Financial Assets to Net Assets

	Note	30 June 2006 (\$'000)
<b>Net Financial Assets (as above) and includes Rental Bond</b>		<u>4,849</u>
<b>Non Financial Assets and Liabilities</b>		
Plant & Equipment	7	882
Intangibles	8	288
Accruals		76
Provisions	9a, 9b	(2,938)
<b>Net Assets per Balance Sheet</b>		<u><b>3,157</b></u>

## NOTE 12: EQUITY

### a) Contributed Capital

Opening Balance	Nil
Capital transferred from merged entities	<u>3,610</u>

TOTAL EQUITY 3,610

### b) Accumulated Surplus

	30 June 2006 (\$'000)
Accumulated surplus at beginning of the financial period	Nil
Surplus/(Deficit) as recognised in the Operating Statement	(140)
Correction of Errors*	<u>(313)</u>
Accumulated surplus at the end of the financial period	<u>(453)</u>

\* Correction of Errors: The identification of the variance between sub-ledger and general ledger totals on transfers from the prior entities.

### c) Total Equity

	30 June 2006 (\$'000)
Contributed Capital	3,610
Accumulated Surplus	<u>(453)</u>
Total Equity	<u>3,157</u>

### d) Capital transferred

	OCEI	OGS	Total
Opening Balance			
Capital transferred from merged entities			
Current Assets	1,669	2,509	4,178
Cash Assets	<u>1,366</u>	<u>904</u>	<u>2,270</u>
Total Current Assets	<u>3,035</u>	<u>3,413</u>	<u>6,448</u>
Non-Current Assets			
Receivables and Rental Bond	252	1	253
Plant and Equipment	<u>757</u>	<u>181</u>	<u>938</u>
Total Non-Current Assets	<u>1,009</u>	<u>182</u>	<u>1,191</u>
Total Assets	<u>4,044</u>	<u>3,595</u>	<u>7,639</u>
Current Liabilities			
Payables	723	207	930
Fees in Advance	22	-	22
Provisions	<u>963</u>	<u>297</u>	<u>1,260</u>
Total Current Liabilities	<u>1,708</u>	<u>504</u>	<u>2,212</u>
Non-Current Liabilities			
Provisions	806	1,011	1,817
Total Non-Current Liabilities	<u>806</u>	<u>1,011</u>	<u>1,817</u>
Total Liabilities	<u>2,514</u>	<u>1,515</u>	<u>4,029</u>
<b>Net Assets</b>	<u><b>1,530</b></u>	<u><b>2,080</b></u>	<u><b>3,610</b></u>

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

## NOTE 13: CONTINGENT LIABILITIES

As a regulator, Energy Safe Victoria has the responsibility to prosecute for breaches of the Electricity and Gas Safety Acts and associated regulations. In the event of CitiPower being successful in their appeal against conviction at the Melbourne Magistrates Court on 22 December 2005, costs could be incurred by Energy Safe Victoria up to \$175,000.

30 June 2006  
(\$'000)

## NOTE 14: AUDITORS' REMUNERATION

Audit fees paid or payable to the Victorian Auditor General's office for audit of Energy Safe Victoria's financial report:

Paid as at period end	30
Payable as at period end	-

**Note** This amount is inclusive of GST.  
No other services were provided by the Victoria Auditor-General's office

Operating Lease Commitments	30 June 2006 (\$'000)
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## NOTE 15: COMMITMENTS FOR EXPENDITURE

(i) Motor vehicles		
Not later than one year	628	
Later than one year but not later than five years	596	
Later than five years	-	
		1,224
(ii) Office accommodation		
Not later than one year	734	
Later than one year but not later than five years	2,654	
Later than five years	1,519	
		4,907
(iii) Office equipment		
Not later than one year	132	
Later than one year but not later than five years	223	
Later than five years	-	
		355
<b>Total</b>		<b>6,486</b>

**Note** The 2005/06 gross office accommodation commitment includes the lease on premises and outgoings for 4 Riverside Quay, Southbank, 15 Ceylon Street, Nunawading, 32A Doveton Street North, Ballarat and 369 Royal Parade, Parkville.

The above commitments are inclusive of GST.

## NOTE 16: SUPERANNUATION

Energy Safe Victoria contributes to the EquipSuper Pty Ltd Fund (formerly the Victorian Electricity Industry Superannuation Fund) and the Government Superannuation Office. Contributions for permanent staff is calculated at 11% of gross pay, however, a recess has been granted by EquipSuper Pty Ltd due to funding being in excess of requirements. This resulted from the investment performance of the fund in recent years.

Payments to the Government Superannuation Office continue where \$20,976 was paid.

## NOTE 17: MINISTERS AND ACCOUNTABLE OFFICERS

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding the responsible persons for the reporting period.

### Names

The persons who held the positions of Ministers and Accountable Officers at any one time during the financial period are:

Responsible Minister: The Honourable Theo Theophanous MP  
Minister for Energy Industries and Resources

Accountable Officers: Mr K Gardner  
Director of Energy Safety

### Remuneration - Accountable Officer

Total remuneration received or receivable by the accountable officers in connection with the management of Energy Safe Victoria during the reporting period was in the range:

\$170,000 - \$179,999

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

### Other Transactions

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

## NOTE 18: REMUNERATION OF EXECUTIVES

During the period, seven Executives were appointed, however, such appointments only became effective from 1 February 2006.

The total remuneration received for this period for individual executives did not exceed the reporting threshold of \$100,000.

## ACCOUNTABLE OFFICER'S AND CHIEF FINANCE AND ACCOUNTING OFFICER'S DECLARATION

We certify that the attached financial statements for Energy Safe Victoria have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the operating statement, statement of recognised income and expense, balance sheet, statement of cash flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the Period Ended 30 June 2006 and financial position of Energy Safe Victoria as at 30 June 2006.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.



**K GARDNER**  
DIRECTOR OF ENERGY SAFETY

13/ 9 / 2006



**A KELLY**  
EXECUTIVE MANAGER CORPORATE SERVICES

13 / 9 / 2006



AUDITOR GENERAL  
VICTORIA

**INDEPENDENT AUDIT REPORT**

**Energy Safe Victoria**

**To the Members of the Parliament of Victoria and the Director of the Authority**

**Matters Relating to the Electronic Presentation of the Audited Financial Report**

This audit report for the financial year ended 30 June 2006 relates to the financial report of Energy Safe Victoria included on its web site. The Director of Energy Safe Victoria is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

**Scope**

*The Financial Report*

The accompanying financial report for the year ended 30 June 2006 of Energy Safe Victoria consists of an operating statement, balance sheet, statement of recognised income and expenses, statement of cash flows, notes to and forming part of the financial report, and the accountable officer's and chief finance and accounting officer's declaration.

*Directors' Responsibility*

The Director of Energy Safe Victoria is responsible for:

- the preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- the maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

*Audit Approach*

As required by the *Audit Act 1994*, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

The audit procedures included:

- examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- obtaining written confirmation regarding the material representations made in conjunction with the audit
- reviewing the overall presentation of information in the financial report.



AUDITOR GENERAL  
VICTORIA

**Independent Audit Report (continued)**

These procedures have been undertaken to form an opinion as to whether the financial report is presented in all material respects fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Authority's financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Independence**

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

**Audit Opinion**

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, the financial position of Energy Safe Victoria as at 30 June 2006 and its financial performance and cash flows for the year then ended.

MELBOURNE  
14 September 2006

*Mashelle Parrett*  
for JW CAMERON  
Auditor-General

ESV's mission, vision and objectives, which form a part of this Statement of Corporate Intent, are noted from page one of this report.

The following is a summary of ESV's strategies, initiatives and performance targets. These form part of the new Corporate Plan and will lead ESV forward to successfully achieve all of its goals.

**This page summarises:**

- 1) outcomes to be accomplished by June 2011
- 2) strategies that will be implemented over the plan period to achieve the outcomes
- 3) milestones to be reached in the first year of the plan

**ENERGY SAFE VICTORIA CORPORATE PLAN SUMMARY – 2007 TO 2011**

KEY OUTCOMES REQUIRED	STRATEGIES & INITIATIVES	YEAR 1 MAJOR MILESTONES (2006/2007)
<p><b>1. Modern safety regulation – effective, efficient and fair</b></p> <ul style="list-style-type: none"> <li>– Revised legislation reflecting new approach</li> <li>– Set of regulations and rules designed to match the needs and competencies of stakeholders and encourage excellence in stakeholder performance</li> <li>– More clearly defined regulatory boundaries and responsibilities</li> </ul>	<ol style="list-style-type: none"> <li>1.1. Review and improve the consistency of gas and electricity regimes</li> <li>1.2. Update electricity and gas safety regime (implement outcomes of regulatory reviews plus re-make expiring regulations as required)</li> <li>1.3. Review and improve industry safety performance reporting and monitoring</li> </ol>	<ul style="list-style-type: none"> <li>– Report with review and recommendations on specific required changes to streamline Electricity Safety and Gas Safety Acts</li> <li>– New Gas Quality Regulations</li> <li>– New Stray Current Regulations</li> <li>– Develop and agree industry KPI reporting standards</li> </ul>
<p><b>2. Better informed stakeholders – improved consultation &amp; communication</b></p> <ul style="list-style-type: none"> <li>– Formalised transparent consultation mechanisms/processes</li> <li>– Satisfied community, industry and other stakeholders</li> <li>– Easier access to information (technology utilised – e.g. web enabled communication), improving accessibility and business productivity</li> <li>– Public educated in safe use of appliances and installations</li> <li>– Community/industry awareness of service commitment (new Service Charter)</li> </ul>	<ol style="list-style-type: none"> <li>2.1. Review and improve the efficiency and effectiveness of communications activities and channels</li> <li>2.2. Develop and implement an on-going program of stakeholder satisfaction surveys</li> <li>2.3. Effectively communicate safe use and behaviours to the community and industry</li> <li>2.4. Review and update ESV's external consultation processes</li> <li>2.5. Develop and implement an updated Service Charter</li> </ol>	<ul style="list-style-type: none"> <li>– Updated communications plan including recommended changes to communication approaches and targeting</li> <li>– New stakeholder surveys in place</li> <li>– Updated Look Up and Live/No-Go-Zone safety campaigns</li> <li>– New ESV website for external communications &amp; new intranet</li> <li>– Research and plans for school safety programs</li> <li>– Stakeholder formal consultation processes reviewed and updated – stronger partnering in place with stakeholders</li> <li>– New ESV Service Charter implemented</li> </ul>
<p><b>3. Safe and reliable gas and electricity supply systems</b></p> <ul style="list-style-type: none"> <li>– Minimise deaths, injuries and fires from electricity and gas supply systems</li> <li>– Appropriate community behaviours</li> <li>– Effective management of emergencies</li> <li>– Increased effectiveness of asset management philosophies and practices adopted by businesses (to meet needs for reliability and capacity)</li> <li>– Acceptance of Safety Management Schemes by businesses</li> </ul>	<ol style="list-style-type: none"> <li>3.1. Review electricity generation, transmission, distribution and traction safety regime</li> <li>3.2. Develop a program to reduce frequency and consequence of unintended contact with gas and electricity supply infrastructure</li> <li>3.3. Re-engineer administration of energy supply safety regime (including auditing processes)</li> <li>3.4. Encourage and facilitate the development and adoption of improved asset management models for energy supply infrastructure</li> <li>3.5. Review and update ESV's emergency management capability</li> </ol>	<ul style="list-style-type: none"> <li>– Consultation completed and report produced recommending changes to energy supply regime (including recommended Act/Regulation changes)</li> <li>– Completed analysis of causes of contact with infrastructure and report recommending regulatory and technology changes</li> <li>– Administrative procedures mapped for supply safety regime</li> <li>– Emergency management improvements implemented</li> </ul>

KEY OUTCOMES REQUIRED	STRATEGIES & INITIATIVES	YEAR 1 MAJOR MILESTONES (2006/2007)
<p><b>4. Safe and efficient appliances and safe installations</b></p> <ul style="list-style-type: none"> <li>– Minimise deaths, injuries and fires from installations and appliances</li> <li>– Effective audit and approval system</li> <li>– Efficiency regime for gas appliances</li> <li>– Competent installers and service workers</li> <li>– Public educated in safe use of appliances</li> <li>– Improved application of standards (improved and robust)</li> </ul>	<ol style="list-style-type: none"> <li>4.1. Review the efficiency and effectiveness of the Certificate of Electrical Safety system</li> <li>4.2. Review the independence and governance of the electrical inspection and auditing system</li> <li>4.3. Evaluate and introduce mandatory safety switches on property sales</li> <li>4.4. Evaluate and improve the electrical Home Safety Inspection program</li> <li>4.5. Introduce a revised and nationally applied electrical appliance approvals process</li> <li>4.6. Review objectives and effectiveness of gas inspection processes</li> <li>4.7. Implement gas appliance efficiency regime</li> <li>4.8. Investigate application of home safety inspections for gas</li> </ol>	<ul style="list-style-type: none"> <li>– Completion of major review reports, with recommendations for: <ul style="list-style-type: none"> <li>– Certificate of Electrical Safety System (input to BIA)</li> <li>– Electrical inspection and auditing system (input to BIA)</li> </ul> </li> <li>– Delivery of BIA on wider requirement for safety switches</li> <li>– Review report for national electrical appliance approvals process</li> <li>– Risk based inspection of complex gas appliances in place</li> <li>– Gas appliance efficiency scheme documented (for cost-benefit analysis)</li> </ul>
<p><b>5. Stable, sustainable and skilled industry workforce</b></p> <ul style="list-style-type: none"> <li>– Increased awareness and attractiveness of careers in energy sector</li> <li>– National competencies for industry participants</li> <li>– Continuous professional development in place</li> <li>– Improved effectiveness of licensing &amp; registration of workers</li> <li>– New competency framework for type B gasfitters</li> </ul>	<ol style="list-style-type: none"> <li>5.1. Review and improve the licensing, registration and competency framework for electrical workers and inspectors</li> <li>5.2. Review and implement skills maintenance and training programs</li> <li>5.3. Review and improve licensing administrative processes</li> <li>5.4. Review and improve the licensing, registration and competency framework for gasfitters</li> </ol>	<ul style="list-style-type: none"> <li>– Certificate IV training program for electrical inspectors</li> <li>– Restricted licence training package</li> <li>– On-line licence renewals</li> <li>– On-line purchasing of Certificates of Electrical Safety</li> <li>– Completion of analysis of licensing and registration and competency arrangements and recommendations for complex (Type B) gas work</li> </ul>
<p><b>6. Employer of choice – a committed team of skilled professionals</b></p> <ul style="list-style-type: none"> <li>– Satisfied and motivated workforce</li> <li>– Appropriate resourcing, reward and recognition</li> <li>– People with subject matter and regulatory skills</li> <li>– More clearly defined and effective ESV roles and responsibilities</li> </ul>	<ol style="list-style-type: none"> <li>6.1. Human Resource refinement, training and performance initiative</li> <li>6.2. Develop and implement staff satisfaction survey program</li> </ol>	<ul style="list-style-type: none"> <li>– Updated organisational structure with new position descriptions</li> <li>– Updated recruitment policy and succession plans</li> <li>– New performance management systems and training programs aligned with business objectives</li> <li>– New staff satisfaction surveys in place</li> </ul>
<p><b>7. More efficient and effective ESV – clear and consistent practices</b></p> <ul style="list-style-type: none"> <li>– Documented policies reflecting organisational requirements</li> <li>– Implemented effective Quality System</li> <li>– Modern, cost efficient technology and communication systems – improving productivity and implemented at reduced business cost</li> <li>– Integrated and improved legacy systems</li> <li>– Disaster Recovery and Business Continuity Plans implemented</li> <li>– Improved risk management</li> <li>– Fast and effective incident analysis and action to prevent future incidents</li> </ul>	<ol style="list-style-type: none"> <li>7.1. Develop priorities and strategies for review and revision of policies, processes and procedures across ESV (including a Quality Management System)</li> <li>7.2. Develop an integrated IT strategy for improved efficiency and effectiveness in delivery of business requirements (including web-enablement of administrative processes, such as licensing, certification and approvals)</li> <li>7.3. Establish and maintain effective Disaster Recovery &amp; Business Continuity Plans</li> <li>7.4. Enhance ESV risk management capability (including risk mgt. planning)</li> <li>7.5. Re-engineer ESV and industry data collection, reporting and analysis</li> </ol>	<ul style="list-style-type: none"> <li>– Work to streamline business processes prioritised, sequenced and commenced</li> <li>– Fully updated IT strategy documented and agreed</li> <li>– DRP and Business Continuity plans updated</li> <li>– Improved risk management capability and software in place</li> <li>– Updated processes and systems for collection and analysis of incident data</li> </ul>

This page summarises measures and targets that will be used to assess plan progress and achievement of outcomes

### ENERGY SAFE VICTORIA CORPORATE PLAN SUMMARY – 2007 TO 2011

KEY OUTCOMES & SELECTED MILESTONES	MEASURES	PERF	TARGETS			
		05/06	06/07	07/08	08/09	
<b>1. Modern safety regulation – effective, efficient and fair</b> <ul style="list-style-type: none"> <li>Gas and electricity regimes reviewed by June 2007</li> <li>Electricity Safety Act and Gas Safety Act revised by June 2008</li> <li>All regulatory updates in line with planned update schedule</li> <li>Industry KPI reporting standards agreed by June 2007</li> </ul>	Delivery of Act and Regulatory renewal program in accordance with schedule  Effectiveness and fairness also indicated by safety measures under outcomes 3 and 4 and satisfaction measures under outcome 2	100% delivery to planned update schedule				
<b>2. Better informed stakeholders – improved consultation &amp; communication</b> <ul style="list-style-type: none"> <li>Revised communications strategy approved by June 2007</li> <li>Stakeholder surveys undertaken annually</li> <li>Updated ESV website by March 2007. New service charter by June 2007</li> <li>Stakeholder consultation processes reviewed and updated by June 2007</li> </ul>	<ul style="list-style-type: none"> <li>Reach of safety campaigns [average across campaigns and groups]</li> <li>Recall of safety messages [average across messages and groups]</li> <li>Overall stakeholder satisfaction with ESV (percentage)</li> <li>Hits on the ESV website (number)</li> </ul>	70 50 70 N/A	75 60 75 5000/mth	80 65 80 6000/mth	85 70 85 7000/mth	
<b>3. Safe and reliable gas and electricity supply systems</b> <ul style="list-style-type: none"> <li>Electricity generation and supply safety regime report by March 2007</li> <li>Report on required changes to supply safety regime administration by June 2007</li> <li>Updated emergency management arrangements implemented by June 2007</li> </ul>	<ul style="list-style-type: none"> <li>Damage to gas assets &lt; 1,050 kPa (number) [**Target &lt; 3 yr Vic. rolling average]</li> <li>Damage to gas assets &gt; 1,050 kPa (number) [**Target &lt; 3 yr Vic. rolling average]</li> <li>Contact with electricity supply assets associated with serious injury or death (measure of frequency of high consequence impact with assets) (number)</li> </ul>	3756 0 296	< 3900** < 2.7** TBD	< 3 yr average < 3 yr average TBD	< 3 yr average < 3 yr average TBD	
<b>3 &amp; 4. Consolidated performance</b>	<ul style="list-style-type: none"> <li>ESV 3 year average electrical fatalities per million population ranking compared to other Australian States and New Zealand</li> <li>ESV 3 year average gas fatalities per million population ranking compared to other Australian States and New Zealand</li> </ul>	TBD TBD	#1 in Australia #1 in Australia	#1 in Australia #1 in Australia	#1 in Australia #1 in Australia	

## CORPORATE INFORMATION

## STATEMENT OF CORPORATE INTENT

KEY OUTCOMES & SELECTED MILESTONES	MEASURES	PERF				TARGETS																											
		05/06	06/07	07/08	08/09	05/06	06/07	07/08	08/09																								
<b>4. Safe and efficient appliances and safe installations</b> <ul style="list-style-type: none"> <li>– Certificate of Electrical Safety system report by June 2007</li> <li>– Electrical inspection and auditing system report by June 2007</li> <li>– BIA on requirement for safety switches at time of property sale by December 2006</li> <li>– Updated Certificate of Electrical Safety system and processes by June 2008</li> <li>– Implemented efficiency regime for gas appliances in line with AGO timetable</li> <li>– Risk based inspection of complex gas installations by June 2007</li> <li>– Risk based inspection of complex gas appliances in place by June 2008</li> <li>– Electrical Home Safety Inspection report by June 2008</li> <li>– National electrical appliance approvals process report by June 2009</li> </ul>	<ul style="list-style-type: none"> <li>– Compliant electrical installations (percentage)</li> <li>– Properties with safety switches installed (percentage of domestic properties)</li> <li>– Compliance of licensed/registered electrical industry workers (average)</li> <li>– Safe/approved electrical appliances identified at retail outlets (percentage)</li> <li>– Compliance of electrical appliances for efficiency labelling (percentage)</li> <li>– Average defects per Type B gas installation inspected</li> <li>– Average defects per complex gas installations inspected</li> <li>– Defective gas installations [from PIC audits of gas installations] (percentage)</li> </ul>	94	94	94	94	64	65	67	69	76	80	81	82	96	95	95	95	97	95	95	95	.40	.35	.30	.25	.40	.35	.30	.25	10	9	8	8
<b>5. Stable, sustainable and skilled industry workforce</b> <ul style="list-style-type: none"> <li>– 5% of industry participants involved in skills maintenance programs by June 2007</li> <li>– Licence renewals on line by June 2007</li> <li>– New licence applications on line by June 2008</li> <li>– Purchasing of certificates on line by June 2008</li> <li>– Photos on licences by June 2009</li> <li>– New competency framework for type B gasfitters by June 2010</li> </ul>	<ul style="list-style-type: none"> <li>– Total licences in place (number)</li> <li>– Total licences issued or renewed (number)</li> <li>– Total registrations in place – RECs (number)</li> <li>– Total registrations issued or renewed – RECs (number)</li> <li>– Total registrations in place – others (number)</li> <li>– RTO Audits completed (number)</li> </ul>	36445	36809	37178	37549	6400	6464	6529	6594	9233	9418	9606	9798	8350	8517	8687	8861	3800	3876	3954	4033	5	10	10	10								
<b>6. Employer of choice – a committed team of skilled professionals</b> <ul style="list-style-type: none"> <li>– Updated roles and responsibilities by June 2007</li> <li>– New performance management system by June 2007</li> <li>– Revised staff satisfaction survey program in place by December 2006</li> <li>– Updated recruitment policy in place by March 2007</li> </ul>	<ul style="list-style-type: none"> <li>– Employee satisfaction [measured by staff survey] (percentage)</li> <li>– Employee retention (percentage)</li> <li>– Lost Time Injuries (number)</li> </ul>	N/A	75	75	75	82	85	85	85	2	0	0	0																				
<b>7. More efficient and effective ESV – clear and consistent practices</b> <ul style="list-style-type: none"> <li>– Work to streamline business processes prioritised and sequenced (inclusive of Quality Management System plans) by December 2006</li> <li>– Risk management improvements implemented Dec 2006</li> <li>– Updated IT strategy documented and approved by June 2007</li> <li>– Updated Disaster Recovery / Business Continuity Plans implemented by June 2007</li> <li>– Updated processes, reporting &amp; systems for incident collection/analysis by June 2007</li> </ul>	<ul style="list-style-type: none"> <li>– Expense to income ratio (number)</li> </ul>	1.0	1.0	0.99	0.99																												

### Accounting Policies

Refer to Note 1 (a) Summary of Significant Accounting Policies in the Finance section on page 36.

### Audit Committee

The Audit Committee consists of the following members:

- Carmel Ackerly (Chairperson) – Director, Hyland Business Services Pty. Ltd.
- Brian Bose – Finance & Administration Manager, Energy Safe Victoria
- Peter Buck – Director, Strategic Technical Projects, SP AusNet
- Peter Cursio – Chartered Accountant, Cursio & Co.
- Ken Gardner – Director of Energy Safety, Energy Safe Victoria
- Alan Kelly – Executive Manager, Energy Safe Victoria

The areas of responsibility covered by the Audit Committee are:

- External reporting
- Internal control and risk management
- Related party transactions
- External audit
- Internal audit.

The functionality of the Audit Committee is set out in its terms of reference and includes:

- To review the quarter, half year and annual financial performance of ESV focusing particularly on:
  - Reporting on all financial information, inclusive of the requirements with Australian Accounting Standards, including Australian equivalents to International Financial Reporting Standards (A-IFRS), Accounting Concepts, Urgent Issues Group and the Financial Management Act
  - Any changes in accounting policies and practices—Methods used to account for significant unusual transactions or transactions for which there are no specific accounting standards
- To co-ordinate and manage the scope and quality of the internal and external audit program
- To review the internal audit program, consider the major findings of the audit and management's response and ensure co-ordination of ESV's annual audit program between the internal and external auditors
- To review related party transactions
- To establish a committee which shall consist of not less than three members, where two members of the committee, inclusive of the chairperson, are independent from the management of ESV
- The arrangements for committee meetings, inclusive of the power to call meetings and details of what constitutes a quorum
- To obtain information from any employee and any relevant external party and to institute special investigations and report the findings of those to the Director of Energy Safety
- To review internal controls of ESV in relation to the prevention, detection and investigation of fraud and irregular activity
- To report on its activities to the Director of Energy Safety on a regular basis.

### Statutory Information

Information on the following matters is available from Energy Safe Victoria on request.

- a statement of declarations of pecuniary interests that have been duly completed by the accountable officer
- details of publications produced and how these may be obtained
- details of changes in prices, fees, charges, rates and levies
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement of industrial relations and details of time lost through industrial accidents and disputes
- a list of major committees sponsored, the purposes of each committee and the extent to which the purposes have been achieved.

The following matters did not apply to ESV during the period 10 August 2005 to 30 June 2006 – major external reviews, major research and development activities.

### Consultancies

ESV engaged 20 consultants at a total cost of \$299,715 for 16 projects, each consultancy costing less than \$100,000.

### Disclosure of Major Contracts

Energy Safe Victoria has not entered into any contracts over \$10 million.

### Pecuniary Interests

A declaration of pecuniary interests was completed by all relevant staff for this reporting period.

### Customers

#### Primary Customers

Customers who are provided with a regular service by Energy Safe Victoria.

- Minister responsible for the electricity and gas industries
- General public
- Electrical workers (licensed electrical inspectors, registered electrical contractors and licensed electrical installation workers)
- Gas workers (licensed / registered gasfitters, inspectors)
- Generation, transmission and distribution businesses, the traction industry and other network operators
- Manufacturers, importers, wholesalers and retailers of electrical and gas equipment
- Electrolysis stakeholders.

#### Secondary Customers

Customers who periodically interact or require a service from by Energy Safe Victoria.

- Government departments and agencies
- Local municipal authorities
- Those with a responsibility for tree clearing
- Those who dig near underground assets
- Utilities and the petroleum industry
- Tertiary and other education providers
- Electricity and gas retailers and wholesalers
- Energy and Water Ombudsman (Victoria)
- Unions and staff associations.

### Whistleblowers Protection Act 2001

Energy Safe Victoria is committed to the aims and objectives of the Whistleblowers Protection Act 2001. In keeping with the requirements of Section 104 of the Act ESV reports the following:

Disclosure	Result
Disclosures made to ESV during the year	Nil
Disclosures referred to the Ombudsman (to determine whether they are public interest disclosures)	Nil
Disclosures referred to ESV by the Ombudsman to investigate	Nil
Disclosures referred by ESV to the Ombudsman to investigate	Nil
Investigations of disclosures taken over by the Ombudsman from ESV	Nil
Requests by whistleblower to have their disclosure investigated by the Ombudsman due to their dissatisfaction with the way ESV is investigating the matter	Nil
Disclosures that ESV has declined to investigate	Nil
Disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	Nil
Recommendations made by the Ombudsman that relate to ESV	Nil

Copies of ESV's Whistleblowers Protection Act Procedures can be obtained by contacting ESV's Protected Disclosure Officer.

Disclosures of improper conduct or detrimental action by ESV or its employees may be made to the following officers:

The Protected Disclosure Coordinator:

**Peter Hester**

Executive Manager Investigations & Prosecutions

Level 3, Building 2

4 Riverside Quay

Southbank 3006

Ph: 9203 9750

Fax: 9686 2197

The Protected Disclosure Officer:

**Andrew Padanyi**

Legal Officer

Level 3, Building 2

4 Riverside Quay

Southbank 3006

Ph: 9203 9772

Fax: 9686 2197

Email: apadanyi@esv.vic.gov.au

Disclosures may also be made directly to the Ombudsman:

**The Ombudsman Victoria**

Level 3 South Tower

459 Collins Street

Melbourne Victoria 3000

Internet: [www.ombudsman.vic.gov.au](http://www.ombudsman.vic.gov.au)

Email: [ombudvic@ombudsman.vic.gov.au](mailto:ombudvic@ombudsman.vic.gov.au)

Tel: 9613 6222

Toll Free: 1800 806 314

#### Information Privacy Act 2000

In keeping with the Information Privacy Act 2000, Energy Safe Victoria has developed and implemented a Privacy Policy.

ESV's Privacy Policy can be obtained from ESV or viewed on the website at [www.esv.vic.gov.au](http://www.esv.vic.gov.au).

All staff are progressively being trained in the information privacy principles contained in the Information Privacy Act 2000 and in ESV's policy.

#### Freedom of Information

Energy Safe Victoria received 38 freedom of information requests from 1 July 2005 to 30 June 2006. Two of these were received on behalf of the Office of Gas Safety. All requests were dealt with in accordance with the Freedom of Information Act 1982. Application fees and access charges received during this reporting period totalled \$756.

Freedom of information requests must be made in writing, accompanied by a \$21.50 application fee and be addressed to:

Mr Andrew Padanyi

Freedom of Information Officer

Energy Safe Victoria

PO Box 262 Collins Street West, Vic 8007

Energy Safe Victoria produces statements which are available on its website ([www.esv.vic.gov.au](http://www.esv.vic.gov.au)) containing details as required under the Freedom of Information Act 1982. Further information can be obtained from the Freedom of Information Officer.

#### Committees

The following Committees have been established under Section 10 of the Electricity Safety Act 1998:

#### ELECTRICAL LICENSING AND REGISTRATION ADVISORY COMMITTEE

Provide advice to ESV on the standard of qualifications, proficiency, training and experience and on legislation and regulation development for licensed electrical workers and registered electrical contractors.

#### ELECTRICAL SAFETY COMMITTEE

Provide advice to ESV on the setting of safety standards for work on or near high voltage electrical installations and to the electricity industry on high voltage electrical safety.

#### INDUSTRY SECTOR BASED COMMITTEE

Develop and implement a system where appropriately qualified and trained lineworkers are registered with ESV.

#### RURAL COMMITTEE

Provide advice to ESV on issues affecting rural areas.

#### SAFE WORKING ON ELECTRICAL INSTALLATIONS COMMITTEE

Provide advice to ESV on safe working methods for electrical installations.

The following Committees have been established under other sections of the Electricity Safety Act 1998:

#### ELECTRIC LINE CLEARANCE CONSULTATIVE COMMITTEE

Provide advice to ESV or the Minister on matters relating to the clearance of electric lines, inclusive of the preparation and maintenance of the Code of Practice for Electric Line Clearance (Vegetation) 1999 (established under Section 87).

#### EQUIPMENT ADVISORY COMMITTEE

Provide advice to ESV on safety standards for electrical equipment and the procedures for monitoring compliance with such standards (established under Section 50).

#### VICTORIAN ELECTROLYSIS COMMITTEE

Provide advice to ESV on any matter related to electrolysis and the regulations relating to cathodic protection and the mitigation of stray current corrosion. This includes the establishment and maintenance of standards for systems for cathodic protection and for the mitigation of stray current corrosion (established under Part 9).

#### Building Act 1993

Not applicable as Energy Safe Victoria does not own or control any Government buildings.

#### Victorian Industry Participation Policy

ESV has not entered into any contracts over \$3 million in metropolitan Melbourne or \$1 million in regional Victoria. Therefore, the Victorian Industry Participation Policy (VIPP) does not apply.

#### National Competition Policy

The regulations made during the year were reviewed for compliance with national competition policy. These regulations are consistent with the national competition policy principles.

#### Energy Efficiency Government Buildings Policy

The Victorian Government introduced the Energy Efficiency Government Buildings Policy in November 2001. This policy established two energy targets; a 15% reduction in building related energy use and that 10% of all electricity purchased is sourced from Green Power.

The former Office of the Chief Electrical Inspector chose to participate in this program on a voluntary basis to demonstrate leadership and support of this important Government initiative.

ESV has completed and achieved the objectives of the program.

The annual report of Energy Safe Victoria is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of Energy Safe Victoria's compliance with statutory disclosure requirements.

Legislation	Requirement	Page Reference
<b>MINISTERIAL DIRECTIONS</b>		
<b>Report of Operations</b>		
<b>Charter and purpose</b>		
FRD 22A	Manner of establishment and relevant Minister	1
FRD 22A	Objectives, functions, powers and duties	3
FRD 22A	Nature and range of services provided	3
<b>Management and structure</b>		
FRD 22A	Organisational structure	6
<b>Financial and other information</b>		
FRD 22A	Statement of workforce data and merit and equity	8
FRD 22A	Summary of the financial results	8, 31
FRD 22A	Significant changes in financial position	8
FRD 22A	Operational and budgetary objectives and performance against objectives	8, 31
FRD 22A	Major changes or factors affecting performance	8, 36
FRD 22A	Events subsequent to balance date	NA
FRD 22A	Details of consultancies over \$100,000	49
FRD 22A	Details of consultancies under \$100,000	49
FRD 22A	Application and operation of Freedom of Information Act 1982	50
FRD 22A	Compliance with building and maintenance provisions of Building Act 1993	50
FRD 22A	Application and operation of Whistleblowers Protection Act 2001	49
FRD 22A	Statement of availability of other information	49
FRD 22A	Statement on National Competition Policy	50
FRD 22A	Statement on occupational health and safety	7
FRD 12A	Disclosure of major contracts	49
FRD 25	Victorian Industry Participation Policy disclosures	50
FRD 24A	Reporting of office-based environmental impacts	50
FRD 15A	Executive Officer disclosures	NA
FRD 10	Disclosure index	51
FRD 8A	Budget Portfolio Outcomes	NA
<b>FINANCIAL STATEMENTS</b>		
<b>Financial statements required under Part 7 of the Financial Management Act 1994</b>		
SD 4.2(a)	Statement of Recognised Income and Expense	35
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SD 4.2(f)	Model financial report	36
<b>Other disclosures in notes to the financial statements</b>		
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FRD 21 A	Responsible person and executive officer disclosures	41

<b>LEGISLATION</b>	
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<b>Victorian Industry Participation Policy Act 2003</b>	50
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NA Not applicable

Notes

ESV Energy Safe Victoria  
 ELRAC Electrical Licensing and Registration Advisory Committee  
 COAG Council of Australian Government  
 GTRC Gas Technical Regulator's Committee  
 LEI Licensed Electrical Inspector  
 LEIW Licensed Electrical Installation Worker  
 MEPS Minimum Energy Performance Standards  
 OCEI Office of the Chief Electrical Inspector  
 OGS Office of Gas Safety  
 PIC Plumbing Industry Commission  
 REC Registered Electrical Contractor

Energy Safe Victoria is the single regulator responsible for electricity and gas safety in Victoria and was formed through the amalgamation of the Office of the Chief Electrical Inspector (OCEI) and the Office of Gas Safety (OGS).

OCEI and OGS ceased operation on 9 August 2005. The 2004/05 Annual Reports for both OCEI and OGS reflect reporting outcomes until this date.

Energy Safe Victoria commenced operation on 10 August 2005. The reporting period for this annual report is not for a full financial year but for the period 10 August 2005 to 30 June 2006, unless otherwise stated.

As ESV is a new entity, some statistical representations and data contained within this report may not reflect past year comparisons. Other statistical information may be obtained from past OCEI and OGS Annual Reports which are available upon request from ESV.

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