

## FACT SHEET

### *Gas Safety Bill 2018*

The Gas Safety Bill 2018 is one of two Bills that form part of the implementation of the gas supply industry framework review to ensure contemporary regulation across gas infrastructure, gas installations and gas appliances. The second Bill, the Gas Industry Bill 2018 is being progressed via the Minister for Energy and the Department of State Growth.

In the main, the Bill reflects current gas safety policy with only minor changes to fix issues with the regime which have been apparent since the original legislation was put in place.

The *Gas Act 2000* and *Gas Pipelines Act 2000* have regulated the Tasmanian gas industry for over ten years. Both Acts have undergone minor amendments, but there has not been a substantial review of the legislation during this time.

The Gas Safety Bill 2018 and the Gas Industry Bill 2018 form a legislative package that effectively separates out industry and safety matters currently combined in the *Gas Act 2000* and the *Gas Pipelines Act 2000*. Both Bills are considered interrelated and should be considered together with regard to desired gas industry outcomes.

In terms of gas industry safety the Bill has meant the opportunity to implement:

- Improved administrative efficiency within Government (responsibility for the Acts is currently split across two agencies which creates considerable administrative inefficiency).
- Promotion of regulatory consistency with regard to the LP Gas industry, the automotive gas fitting industry, and other emerging fuel gases.
- Removal of unwarranted regulatory burden on the Tasmanian gas fitting industry (change the gas installation application for acceptance criteria in line with evaluated contemporary public risk).
- Alignment of similar functions relating to the design, construction, commissioning and operational integrity of gas distribution and transmission gas infrastructure.
- Strengthened and diversified regulator powers with regard to unsafe gas installations and gas appliances.

The Bill will deliver long term savings to departmental resources due to the administrative efficiencies gained.

Where there are new developments in areas of non-traditional gas supply and usage, such as Biogas and stationary gas engines, the Bill provides flexibility, whilst maintaining safety outcomes, to enable more effective monitoring of these activities.

Principally the Bill contains combined and consolidated provisions of the *Gas Act 2000* and *Gas Pipelines Act 2000*, however it rectifies current anomalies, reduces red tape where risk was not proportionate to regulatory burden, and reflects current regulatory and industry best practice.

Key features of the Bill include:

- Removal of certain industry and government obligations that were not conducive to efficient decision making, and placed barriers to investment in projects including:
  - Removal of Class 1a buildings from the definition of Standard Gas Installation of a Prescribed Class.
  - Increasing the gas consumption from 500 megajoules per hour to 750 megajoules per hour before gas installations in certain classes of buildings become defined as a Complex Gas Installation and therefore requiring an application for acceptance.
- Aligning the Bill with amendments to the *Gas (Safety) Regulations 2014* in respect to provisions captured from the repealed *Dangerous Goods Act 1998*, including automotive gas-fitting and LP Gas storage.
- Creating a fairer 'recovery of costs' model for administration of the Act across the broader gas supply industry.
- Providing appropriate emergency powers and consultative mechanisms to ensure safety and security of gas infrastructure and installations before, during, and after emergency or gas rationing situations.
- Providing safety regimes for emerging gases, for example compressed natural gas (CNG) and liquefied natural gas (LNG, biogas and hydrogen).
- Allowing for enforceable Codes of Practice to cover emerging technology not already covered in legislation or standards.
- Allowing for infringement notice provisions to better regulate safety outcomes.
- Enhancing energy security for the State and consumers.
- Allowing for flexibility to regulate the safety of reticulated and non-reticulated natural gas, LP Gas, Compressed Natural Gas, Liquefied Natural Gas, Biogas, Hydrogen Gas and any other gas that may emerge in the future.
- Clarification of definitions.

The Bill considers all feedback provided from industry stakeholders over a six week consultation period. The Bill was also released twice to targeted stakeholder in conjunction with the Gas Industry Bill. This resulted in feedback being sought from a very comprehensive inventory of identified industry stakeholder including, but not limited to, gas entities, gas supplier, gas fitters, relevant industry bodies and associations, and relevant Government agencies and branches.

The Bill provides for the making of gas safety regulations, which will reflect current content, and rescinding of the *Gas (Safety) Regulations 2014* and *Gas Pipelines Regulations 2014*.