

## DRAFT SECOND READING SPEECH

HON ELISE ARCHER MP

### *ELECTRICITY SAFETY BILL 2020*

*\*check Hansard for delivery\**

Madam Speaker, I move that the Bill now be read a second time.

The importance of electricity safety cannot be overstated, as all Tasmanians use and are surrounded by electricity all day, every day.

Often, we take our use of electricity for granted and do not think about the benefits that electricity safety laws and their active administration provides the Tasmanian community.

The high level of electricity safety currently enjoyed by Tasmanians is continuously being challenged by the speed at which new electricity technology, equipment and storage systems are being introduced.

Madam Speaker, Tasmania needs robust and up to date electricity safety laws to effectively administer electricity safety in response to these new and emerging technologies and practices. This Bill provides for this.

Electricity safety within Tasmania is underpinned by longstanding regulatory provisions and responsibilities placed on the electricity supply industry entities, and industrial, commercial and domestic consumers, as well as electrical equipment and appliances.

The *Electricity Supply Industry Act 1995* and the *Electricity Industry Safety and Administration Act 1997* that provide the current electricity safety regulatory provisions have had only minor amendment and there has not been a substantial review of the electricity safety provisions since their enactment.

The *Electricity Supply Industry Act 1995* over time has tended to concentrate on the regulation associated with the electricity market operation, with the introduction of the National Electricity Market, National Electricity Rules and the Australian Energy Regulator. This Bill will instead provide a dedicated focus on electricity safety and its administration, to maintain the standard of electricity safety the Tasmanian community has come to expect as normal.

Since the turn of the century, there has been significant changes within the electricity industry. Some of the key changes have been:

- an increase in small scale solar and wind generation;
- equipment innovation and the rise of electricity storage systems; and
- advanced, sometimes called 'smart', electricity meters in people's homes.

Administration of electricity safety in Tasmania currently sits with both the Department of State Growth and the Department of Justice. The Energy Regulator is responsible for the electricity safety functions and powers under the *Electricity Supply Industry Act 1995*, and the Secretary of Department of Justice is responsible for the *Electricity Industry Safety and Administration Act 1997*. This division of responsibility for safety is not desirable, and in its current form, can introduce uncertainty and confusion.

The consolidation of electricity safety provisions into a single Bill and separating them from the *Electricity Supply Industry Act's* licensing and industry operational activities, will allow for a greater focus on the regulation of electricity safety in Tasmania.

This Bill aims to modernise and clarify the existing regulatory provisions of the current Acts, to provide flexible and up to date electrical safety requirements for Tasmania. The Bill will provide:

- clarification of safety obligations and responsibilities that are not clearly stated in the current Acts;
- modernised terminology and definitions to assist in a better understanding of obligations for both industry and consumers; and
- ensure there is suitable flexibility to adapt to innovation and technology well into the future.

The Bill establishes the Director of Electricity Safety as a statutory position. This new role consolidates the electricity safety functions and powers of the 'Regulator' and the 'workplace health and safety Secretary' under the *Electricity Supply industry Act 2005*, and the 'Secretary' in the *Electricity Industry Safety and Administration Act 1997*.

The Director provides a level of accountability for electricity safety that is consistent with the level of risk and aligns with key statutory officers established under building and gas safety legislation. The Director's title, functional responsibilities and powers are generally consistent with:

- the Director of Gas Safety, under the *Gas Safety Act 2019*; and
- the Director of Building Control, under the *Building Act 2016*.

Madam Speaker, Australia as a whole is grappling with the mitigation of bushfire risks associated with electricity assets. The main bushfire risks are due to the deterioration of those assets over time and the growth of vegetation into the electricity conductors.

This Bill will provide clarification of the responsibilities for periodic inspection and maintenance of electricity assets and a vegetation clearance space around those electricity assets. The Bill also provides the Director appropriate mechanisms and powers to ensure that these responsibilities are fulfilled.

New and emerging technology in the electricity industry, at times, is outpacing the ability of the current safety regulations to respond effectively. The Bill provides for enforceable

determinations and codes of practice in order to respond effectively to these changes and provide the appropriate level of assurance for electricity safety to the Tasmanian community.

The Bill will fulfil a requirement of the Ministerial Council on Energy Inter Governmental Agreement. This is to provide nationally consistent minimum safety requirements for electricity entity owned network assets through an Electricity Network Safety Management System. Both Hydro Tasmania and TasNetworks own and operate these network assets and have already been working towards a compliant system in anticipation of this provision.

The Bill also provides for the electricity entities to appoint and manage an 'Electricity Safety Officer', who may undertake specific electricity safety functions, in a similar context to that of the existing 'Electricity Officer' under the *Electricity Supply Industry Act 1995*.

The structure of Tasmania's electricity supply and the entities involved has undergone significant change over the past 25 years. In some instances, the demarcation of ownership between the network, operated by an electricity entity, and a property owner's installation, has become confused. This Bill will provide the clarification of the point of supply to address this issue and provide certainty for the industry and owners.

The Bill will also give effect to the requirements of the Inter-Governmental Agreement on the Electrical Equipment Safety System. This system provides a national framework for the certification of electrical equipment, including marking, supply, and management of the scheme.

There will be no noticeable change to the current electrical equipment approvals as the new provisions supersede the current electrical appliance requirements under the *Electricity Industry Safety and Administration Act 1997*.

Madam Speaker, the Bill does not regulate the carrying out of electrical work by electricians licensed under the *Occupational Licensing Act 2005*, or safe work practices, under the *Work Health and Safety Act 2012*. In this Bill, any electrical inspection, testing, maintenance or rectification of work that is required to ensure an infrastructure or installation meets the safety requirements of this Bill must also comply with the electrical work provisions of the *Occupational Licensing Act 2005*.

We have consulted widely on the Electricity Safety Bill 2020 with key industry stakeholders. This included two periods of consultation during the development of the Bill. Consultation occurred with electricity entities, electricity retailers, electrical contractors, relevant industry bodies and associations and associations, including the Tasmanian Farmers and Graziers Association, Local Government Association of Tasmania, Unions, and relevant Government agencies.

In conclusion, the Bill consolidates existing safety requirements of the current Acts and modernises the regulation of electricity safety in Tasmania to provide greater public protection.

Madam Speaker, I commend the Bill to the House.