



# New energy infrastructure

Compliance and enforcement priority 2022–23

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<b>Why is new energy infrastructure a priority?</b>	<p>The Victorian Government is investing in electricity network infrastructure, to support the development of six Renewable Energy Zones (REZs), with \$540 million allocated over four years in the 2020-21 Victorian Budget. Currently, there are seven Stage One projects to support greater electricity transmission on the existing networks and other projects to strengthen the energy system. Decisions on whether to proceed with the projects are expected in mid-2022. You can find more information online at <a href="#">renewable energy zones</a>.</p> <p>The Victorian Renewable Energy Target Auction (VRET2) aims to bring at least 600 megawatts of new renewable energy capacity to Victoria. The VRET2 Auction process closed in December 2021 and the successful projects are expected to be announced in late 2022.</p>
<b>Who has the compliance obligation?</b>	<ul style="list-style-type: none"><li>• Victorian transmission companies.</li><li>• Owners and operators of complex electrical installations.</li></ul>
<b>How does the hazard or non-compliance occur?</b>	<ul style="list-style-type: none"><li>• When the transmission line or terminal station is not designed, constructed, operated, maintained or decommissioned to minimise the risks to the safety of people, property and bushfire ignition, as far as practicable.</li><li>• When complex electrical installations are not designed, constructed, operated, maintained or decommissioned to minimise the risks to the safety of people, property and bushfire ignition, as far as practicable.</li></ul>
<b>What compliance action will ESV take?</b>	<ul style="list-style-type: none"><li>• We will require transmission companies to have an acceptable Electrical Safety Management Scheme (ESMS), which may involve:<ul style="list-style-type: none"><li>– a new ESMS</li><li>– resubmission of an existing ESMS</li><li>– validation of the ESMS</li><li>– acceptance or provisional acceptance or determining the ESMS</li><li>– performing audits of accepted ESMS.</li></ul></li><li>• We will engage with new market entrants to educate them about their safety obligations.</li><li>• We will support successful projects from the Victorian Renewable Energy Target Auction (VRET2) to submit Voluntary ESMS (VESMS) for proposed complex electrical installations.</li></ul>
<b>What enforcement action may ESV take?</b>	<p>We may:</p> <ul style="list-style-type: none"><li>• issue infringement notices</li><li>• issue improvement notices</li><li>• require revision of ESMS</li><li>• issue directions</li><li>• prosecute.</li></ul>

<b>What are the targets?</b>	<ul style="list-style-type: none"><li>• To require transmission companies to design and construct all new transmission lines in accordance with an accepted ESMS, and to demonstrate that compliance with the ESMS will minimise risks to people, property and bushfire danger as far as practicable.</li><li>• To review applications for VESMS from successful VRET Auction submissions.</li></ul>
<b>What will be measured?</b>	<ul style="list-style-type: none"><li>• New transmission line ESMS reviewed and accepted.</li><li>• New complex electrical installations proposed from the VRET2 Auctions have an accepted VESMS.</li><li>• Incidents arising from transmission networks.</li></ul>
<b>What do we want to achieve?</b>	<ul style="list-style-type: none"><li>• Improved regulatory activities informed by data and a better understanding of the key safety risks associated with new transmission lines and terminal stations.</li></ul>
<b>Who will ESV work with?</b>	<ul style="list-style-type: none"><li>• Department of Environment, Land, Water and Planning (DELWP).</li><li>• VicGrid.</li><li>• Australian Energy Market Operator.</li><li>• Essential Services Commission.</li><li>• The Victorian community.</li></ul>