



TOWARDS A **SAFER VICTORIA**
ANNUAL REPORT 1 JULY 2007 – 30 JUNE 2008

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OVERVIEW

ENERGY SAFE VICTORIA (ESV) IS THE INDEPENDENT TECHNICAL REGULATOR RESPONSIBLE FOR ELECTRICITY, GAS AND PIPELINE SAFETY IN VICTORIA. **RESPONSIBILITIES ARE ACHIEVED BY AUDITING THE DESIGN, CONSTRUCTION AND MAINTENANCE OF ALL ELECTRICITY, GAS AND PIPELINE NETWORKS AND INSTALLATIONS, AND BY ENSURING THAT APPLIANCES MEET STRINGENT SAFETY AND ENERGY EFFICIENCY STANDARDS BEFORE THEY ARE SOLD.** ESV ALSO CONDUCTS COMPREHENSIVE PUBLIC AWARENESS CAMPAIGNS TO EDUCATE THE COMMUNITY AND INDUSTRY ON THE POTENTIAL DANGERS ASSOCIATED WITH ELECTRICITY, GAS AND PIPELINES.



THE ORGANISATION. ESV WAS CREATED ON 10 AUGUST 2005 WITH THE PASSING OF THE *ENERGY SAFE VICTORIA ACT 2005*. ESV OPERATES UNDER THE *ELECTRICITY SAFETY ACT 1998*, *GAS SAFETY ACT 1997* AND *PIPELINES ACT 2005* WHICH ARE ADMINISTERED BY THE MINISTER FOR ENERGY AND RESOURCES.





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

OUR VISION – TOWARDS 2013

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, and the safety of pipelines.

To ensure their safety, the community and industry will demand that work involving electricity, gas and pipelines 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.

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.



energy safe
VICTORIA

OVERVIEW

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 WHICH MAINTAIN SAFETY STANDARDS AND SKILLS.

OUR VALUES

At ESV, the following core values are expected from 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 and 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

ROLE AND FUNCTIONS

ESV is responsible for the safety and technical regulation of electricity, gas and pipelines in Victoria. The specific role and functions of Energy Safe Victoria are specified by the *Energy Safe Victoria Act 2005* ('the Act'). A summarised version of the Energy Safe Victoria objectives and functions that are conferred by legislation and must be addressed through ESV operations, 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
- + Protecting the public from environmental, health and safety risks resulting from the construction and operation of pipelines

Functions

ESV 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
- + Assessing and auditing 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 – including maintenance of public and industry awareness of safe practices
- + Assessing and auditing pipeline safety management plans and environmental management plans to determine their adequacy and effectiveness
- + Monitoring and enforcing compliance with the Energy Safe Victoria Act, the Electricity Safety Act, Gas Safety Act, Pipelines Act and the associated 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
 - Compliance of pipeline licensees with construction safety plans, operational safety plans and operational environment plans

DIRECTOR OF ENERGY SAFETY'S REPORT

ONCE AGAIN IT HAS BEEN A BUSY YEAR FOR EVERYONE
AT ESV BUT IT HAS BEEN A **SUCCESSFUL ONE.**

I wish to present ESV's third annual report covering our operations and activities for 2007/08, and also to look ahead to the challenges we have set for ourselves to further improve electricity, gas and pipeline safety in the years ahead.

Once again it has been a busy year for everyone at ESV but it has been a successful one. Apart from successfully meeting our roles and responsibilities, much has been done preparing the groundwork for meeting the challenges of the key corporate strategies we have set ourselves.

Successfully meeting these challenges will go a long way towards improving energy safety for all Victorians, whether they work in the industries concerned or are members of the general community.

While we can be pleased with what has been done in 2007/08, we cannot be complacent and we are not. We recognise that the ultimate challenge for us is the reduction, even elimination, of energy related accidents, injuries and fatalities.

But it is a fact of life that accidents continue to happen. Despite warnings, there is not a day that passes when incidents such as people receiving electric shocks or vehicles and equipment hitting powerlines and pipelines are not reported on our database.

Unfortunately there was one electrocution involving a lineworker during the year, and another incident resulting in the death of a "train surfer". While this is a significant improvement on the seven electricity related deaths we reported in 2005/06, even one fatality is one too many and our work is a very long way from being finished.

It is tragic for the family and friends of the victims that serious incidents continue to occur despite regulations requiring safe practices, and almost constant advice and warnings on appropriate and safe behaviour around energy.

Establishing ESV

In our previous Annual Reports I have discussed the challenge of merging two regulatory and not completely compatible authorities, the former Office of the Chief Electrical Inspector and the Office of Gas Safety, with their own cultures, people, skills, business policies, processes and systems, into one united entity.

We have made a number of changes in both the management structure and personnel since we were established in August 2005, and we are now more comfortable that good progress is being made transforming ESV into both a more effective organisation – and a good place to work for its people.

In the last three years we have also clearly identified what could be termed energy safety issues, and now have both the resolve and the opportunity to overcome inefficiencies and bad practices within the relevant industries and trades. I will discuss these issues shortly.

ACHIEVEMENTS FOR 2007/08

Our achievements for the year have been many and varied, and every area has pulled its weight. We have a large number of functions to perform and, thanks to the commitment of ESV's management and staff, with the support of our safety partners, our performance certainly meets and often exceeds requirements.

For instance, there has been particular focus on evaluating and auditing bushfire mitigation and vegetation management plans submitted by the responsible businesses and authorities. Compliance with these important requirements is fortunately on the increase.

Electrical audits

As far as ensuring safe installations is concerned, more than 650 audits of electrical workers and more than 100,000 audits of electrical installations – 81,172 prescribed inspections and 28,881 non-prescribed inspections – were conducted for compliance and safety.

We regularly conduct audits of retailers, wholesalers, second hand stores and markets to ensure only compliant and approved electrical equipment is available for sale. During the year 574 products were checked for compliance with standards and some 95% were found to be compliant which is a good result. ESV was involved, however, in a number of product recalls.

ESV's equipment safety responsibilities also extend to checking the safety and compliance of new electrical products prior to sale. In 2007/08, some 12,000 new products were approved.

Another of our responsibilities is auditing energy efficiency labelling. In 2007/08, 2,412 products were checked to ensure their performance matched what was claimed in the labelling. More than 980 new products were also checked and approved against energy efficiency standards.

New Wiring Rules

A major issue for the electrical trades industry was the introduction of the latest edition of the Wiring Rules, AS/NZS 3000:2007, in November 2007. The new edition represents a major reworking of a large number of the rules and ESV is convinced that many work practices will be improved as a result.

After declaring that the trade needed to be compliant with the new rules by 1 July 2008, ESV undertook a significant program of awareness sessions to assist licensed electrical inspectors, registered electrical contractors,

Director of Energy Safety,
Ken Gardner.



licensed electrical workers and other groups to become familiar with the new requirements.

Nearly 40 information sessions had been conducted across Victoria by the time the program concluded at the end of June 2008 with the attendance by electrical tradespeople estimated at more than 4,000.

Gas audits

ESV is responsible for Victoria's co-regulatory gas safety case regime and during the year we have accepted the safety cases for two new gas companies, and conducted safety case audits to address specific risks relevant to each sector of the gas industry.

More than 1,100 Type B gas appliances – either large commercial appliances or industrial gas combustion systems – were accepted by audit and inspection. In addition 3,700 complex gas installations underwent inspection and audit processes.

We also inspected and subsequently accepted 140 commercial Type A gas appliances under the Tier 2 arrangements with the Australian Gas Association. Audits were conducted on 20 retailers of new and second hand gas appliances to ensure only safe and compliant equipment is being offered for sale.

Gas safety at events big and small is another key concern for ESV. During the year we provided advice to event organisers and hire businesses and subsequently audited 80 events across Victoria to ensure public safety.

Skilled workforce

Maintaining a stable, sustainable and skilled industry workforce is a major challenge for the energy industry and ESV. During the year we continued to work with industry and the registered training organisations (RTOs) to ensure the existence of appropriate skills and competencies and appropriate licensing and safety standards.

Transactions with stakeholders

Internally, we have been streamlining our own administrative processes and taking advantage of the increasing benefits provided with the march of technology to introduce enhancements, making it easier and more cost effective for stakeholders to transact their business with us online.

For instance, registered electrical contractors, licensed electrical inspectors and licensed electrical workers can now renew their registrations and licences online, and undertake other activities such as managing certificates of electrical safety electronically. There will be other such initiatives introduced in the not too distant future.

We also have a modern website and particular attention is given to ensuring both the quality and relevance of the energy safety advice and information which can be found on it.

Good progress has been made during the year remaking the eight electricity safety regulations and three gas safety regulations which are due to “sunset” next year or in 2010. This work helps us to meet one of our major objectives – modern safety regulation, which is effective, efficient and fair, irons out anomalies and addresses conflicts of interest.

We have continued to enforce safety as much as possible through prosecutions, and the issuing of infringement notices and warning letters.

It has been a busy year in the courts for ESV with 60 cases successfully prosecuted. ESV does not like prosecuting people for contravening the Safety Acts and regulations, but in some instances it has to be done to deter tradespeople from endangering themselves and the community – and serving as a warning to others.

Much focus has been devoted in recent years to stopping unqualified people from either performing their own electricity and gas work, or offering to do it for others. The ramifications are very serious for all involved and we will not back away from tackling this problem by using whatever resources we can.

Public awareness

To help meet our responsibilities for public awareness, we have continued to promote our important messages mostly through seasonal television and radio campaigns. ESV undertook four major awareness campaigns across the metropolitan and regional areas in 2007/08, together with another “Look Up and Live” awareness campaign for rural Victoria.

We have published another four issues of the **energysafe** magazine, which is increasingly acknowledged as an effective channel for communicating with stakeholders, in particular those involved in the electrical and gas trades. We print some 55,000 copies of each issue to meet an increasing demand for the publication through Victoria, other parts of Australia and overseas.

ESV has produced three new television commercials to address particular issues – the safety of outdoor gas appliances, the need to stop using aged and damaged electrical appliances, and a warning against the overuse of powerboards and extension leads in the home.

The last two of these commercials feature retired Olympic swimmer Brooke Hanson, who suffered an electric shock herself in 2007. The incident generated a large amount of media interest and it is expected that the new commercial will result in significant community attention. These commercials will be broadcast for the first time in 2008/09.

We have a challenge to ensure that our communications budget is used wisely and effectively. Most of the communications budget is directed at broadcasting our television and radio commercials, which the experts tell us is still the best way of promoting safety messages.

Nevertheless we continue to research all effective channels for communicating energy safety to the community in general and the specific trades in particular. In 2008/09 we propose three instead of the usual four awareness campaigns to achieve a higher concentration of advertising spots over the selected periods.

Customer satisfaction survey

While questionnaires for this important survey on our performance were distributed in 2006/07, the analysis of the responses received and the presentation of the final report was not completed until early 2007/08.

The responses from the electricity and gas industries and what we termed “special stakeholders” which included regulators, Government representatives, safety organisations, trade unions, employer associations, distributors and retailers were encouraging, and I would like to thank all those who took part in the survey.

Our list of achievements for 2007/08 is exhaustive. I have only provided brief details of our some of our activities for the year. Further information is provided in the subsequent sections of this Report.

Serious incidents

Unfortunately there was one electrocution during the year when Alinta lineworker Allen Pearson was killed on 3 April 2008 helping to restore electricity supplies to Mornington – one of the areas affected by the extreme wind event recorded across many parts of Victoria on the previous day.

ESV enquiries into the death in conjunction with the Police, WorkSafe and Alinta are ongoing.

ESV also assisted early investigations after the body of a man was discovered on the roof of a train carriage at Flinders Street Station.

There were no gas related fatalities during the year. ESV is, however, concerned at the large number of incidents reported during the year involving domestic barbeques, with injuries mainly resulting from connections between appliances and LP Gas cylinders not being properly tightened.

DIRECTOR OF ENERGY SAFETY'S REPORT

TO MOVE FORWARD AS SIGNIFICANTLY AS WE WISH
WILL REQUIRE FURTHER COMMITMENT, HARD WORK
AND PROFESSIONALISM BY OUR PEOPLE, AND I DO
NOT HAVE ANY CONCERNS THAT THERE WILL BE
ANY SHORTAGE OF THESE ATTRIBUTES.

LOOKING AHEAD

New regulations

As discussed earlier, ESV is heavily involved in the remaking of 12 sets of electricity and gas safety regulations – an extensive process also requiring the preparation of regulatory impact statements, a cost benefit analysis, the approval of the Victorian Competition and Efficiency Commission and formal consultation with industry.

We have, however, identified the process as a good opportunity to achieve the ideal of modern safety regulation which can provide improvements and eliminate problems.

Extensive consultation has been underway with industry for most of 2007/08 on the existing Certificate of Electrical Safety (COES) system and inspection processes, and as a result some fundamental changes are being proposed to be incorporated in the next version of the Electricity Safety (Installations) Regulations.

Work is underway at ESV to introduce a new process enabling the online purchase and lodgement of certificates of electrical safety. This is a major outcome of the review which determined that the existing COES system for prescribed, non-prescribed and periodic work should be retained.

In another development, licensing and contracting provisions are likely to be split from the installations regulations where they currently reside and into a new separate set of regulations, the Electricity Safety (Licensing) Regulations.

One change will be the opportunity for RECs to renew their registration every five years if they wish – in line with licensing renewals – instead of annually.

The review also provided ESV and the industry with the opportunity to re-consider the business rules existing between licensed electrical inspectors and registered electrical contractors, and this is still under discussion.

ESV has also moved to incorporate long term asset planning for incorporation in the Gas Safety (Safety Case) Regulations and the Electricity Safety (Safety Management Scheme) Regulations, and work is underway to achieve this important change.

It is ESV's intention that asset owners will need to plan to ensure that their assets will perform safely and reliably for possibly up to 50 years and not just for now.

A national perspective

ESV recognises the dynamics of the energy industry and supports the increasing national focus adopted both by the industries, and the Commonwealth and State Governments through the Ministerial Council on Energy. For example, we support the development of national safety standards for the energy sector and the introduction of a national electricians licence.

Working partnerships

Over 2007/08 I believe we have strengthened our working relationships with other agencies including the Essential Services Commission, the Victorian WorkCover Authority, "Dial Before You Dig", the MFB and CFA, Environment Protection Authority, Victorian Adult Burns Service, Marine Safety Victoria, Victoria Police, State Coroners Office, Department of Sustainability and Environment, Department of Primary Industries, Energy and Water Ombudsman of Victoria, and electricity and gas businesses.

During the year a Memorandum of Understanding was established with the Victorian WorkCover Authority.

We propose to further enhance these relationships if at all possible in the years ahead.

In conclusion

Because of the groundwork we have prepared over the last three years, I am convinced that ESV has sent a clear signal to all stakeholders including the general community of our determination to improve the safe supply and use of electricity and gas, and corresponding safety provisions relating to pipelines.

To have reached this position I acknowledge the support of our safety partners referred to above, and also thank ESV management and staff from across all areas of the organisation for their dedication to their work and ongoing support for our shared cause.

To move forward as significantly as we wish will require further commitment, hard work and professionalism by our people, and I do not have any concerns that there will be any shortage of these attributes.

I commend this report to you.

Ken Gardner
DIRECTOR OF ENERGY SAFETY

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 ITS MANAGEMENT AND STAFF.



**DIRECTOR OF ENERGY SAFETY
KEN GARDNER**

- + Executive direction of Energy Safe Victoria



**DEPUTY DIRECTOR & EXECUTIVE MANAGER
INFRASTRUCTURE SAFETY
MIKE EBDON**

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



**EXECUTIVE MANAGER,
FINANCE AND IT
ANTHONY DEJONG**

- + Finance and Administration
- + Information Technology
- + Customer Service Centre



**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



**ACTING EXECUTIVE MANAGER,
ELECTRICITY INSTALLATIONS
& EQUIPMENT SAFETY*
TERRY CLEMENT**

- + 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
- + Certificate Administration

** Darren Margerison resigned from ESV on 13 August 2008. Terry Clement was appointed to act in the position from this date.*



**EXECUTIVE MANAGER,
LEGAL AND LICENSING
PETER HESTER**

- + Legal
- + Investigations
- + Prosecutions
- + Emergency Management
- + Licensing
- + Registration
- + Training
- + Competency



**EXECUTIVE ADVISOR,
COMMUNICATIONS
& PUBLIC RELATIONS
DAVID GUTHRIE-JONES**

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



**HUMAN RESOURCES ADVISOR
JANIS MCFARLAND**

- + Human Resources

CORPORATE ACTIVITIES

THIS SECTION DEALS WITH ESV'S CORPORATE ACTIVITIES AND PROVIDES INFORMATION ON SUCH TOPICS AS HUMAN RESOURCES, CHANGES TO LEGISLATION AND REGULATIONS, PROSECUTIONS, INFORMATION TECHNOLOGY, ESV'S CUSTOMER SATISFACTION SURVEY, A NEW MEMORANDUM OF UNDERSTANDING WITH THE VICTORIAN WORKCOVER AUTHORITY AND A BRIEF OVERVIEW OF THE ORGANISATION'S FINANCIAL PERFORMANCE.

HUMAN RESOURCES

In 2007/08, ESV's operations and structures continued to be refined in line with current and future requirements. Activities included the development of common policies and practices, the updating all position descriptions and external benchmarking. The HR Advisor also attends executive management group meetings to provide strategic HR advice.

Culture and Staff Development

ESV participated in the State Services Authority 'People Matter' staff survey for the second time with a response rate of 77% which compared favourably with the previous year's response rate of 69%. Some activities implemented as a result of feedback from the first survey have included a regular communication to all staff from the executive management group and development activities for ESV managers.

A review of the executive group was undertaken by an external consultant and recommendations for team development were successfully implemented. This initiative was followed up with a similar process for all managers to identify training, development and culture change requirements. A number of initiatives have resulted from these reviews including streamlined management processes and quarterly management meetings.

Management development was also identified as a requirement and 15 managers enrolled in 28 management training courses with 12 completed by 30 June 2008. Twelve ESV staff attended a five day training session towards the qualification of Lead Auditor and are now proceeding to obtain the requisite practical audit experience hours for full certification. Also during the year 55 staff attended a one day training session in Microsoft Outlook and Word.

ESV's new performance management system, which links the strategic initiatives and operational activities listed in the Corporate Plan with individual objectives, finished its second year of operation with improved usage, quality and uptake. Planning meetings were implemented with executives to address the challenge of the potential future loss of staff to retirements with over 40% of ESV staff aged 55 or over as at 30 June 2008.

A new staff wellbeing initiative was implemented at ESV with 82% of staff taking up the offer to participate in a voluntary health check. This initiative will be followed up with an aggregate report and recommendations for further health initiatives.

Principles of Merit and Equity

ESV is committed to the principles of merit and equity in its recruitment and selection processes and appoints the best possible person for the position from a reasonable field of candidates. Vacancies are advertised both internally and externally and applicants are interviewed by a small panel, assessed on the basis of advertised accountabilities and key selection criteria and are appointed on the basis of merit.

Occupational Health and Safety

ESV reinforced its commitment to OH&S compliance and staff wellbeing with a number of activities including: updated terms of reference for the OH&S committee; initial and refresher training for all OH&S representatives; a review of incidents and near misses reported during the year (no concerning trends identified); training in "fall prevention awareness" and "elevated platform escape" for 28 field and operational staff; an improved safety and security regime at site reception areas; ongoing half-yearly office safety audits; influenza vaccinations for all staff; and a full external safety review of one ESV work site.

WORKFORCE DATA

STAFF TURNOVER FOR THE YEAR WAS 11% (10 STAFF) CONSISTING OF 6.5% (6 STAFF) RESIGNATIONS AND 4.5% (4 STAFF) RETIREMENTS. THE FOLLOWING TABLE OUTLINES ESV'S HEADCOUNT AS AT 30 JUNE 2008.

Headcount as at 30 June 2008			
	Male	Female	Total
Director's Office	1	1	2
Infrastructure Safety (Gas & Electricity)	19	2	21
Gas Installation & Appliance Safety	21	1	22
Electricity Installations & Equipment Safety	17	1	18
Legal and Licensing	8	7	15
Finance, Administration & Customer Service	3	6	9
Information Technology	4	0	4
Communications & Public Relations	1	0	1
Human Resources	0	1	1
Total	74	19	93

New organisational structure at ESV

A new organisational structure will be introduced at ESV from 1 July 2008, mostly to accommodate changes resulting from the decision by Executive Manager Legal and Licensing, Peter Hester, to retire at the end of the 2008 calendar year.

Responsibility for investigations will be transferred to the particular operational areas – electrical investigations moving to the Electricity Installations and Equipment Safety section and gas investigations shifting to the Gas Installation and Appliance Safety section.

Under the changes ESV's Licensing section will report to Anthony DeJong, whose title will be changed to Executive Manager Corporate Services and Licensing.

ESV's Legal section will report directly to the Director of Energy Safety and work across the organisation providing assistance with investigations and prosecutions, the updating of sun-setting regulations and general legal assistance to the organisation.

Peter Hester will remain with ESV until the end of 2008 carrying out a number of important projects, including a review of ESV's accommodation with leases on its Southbank and Nunawading locations due to expire within the next couple of years.

New manager appointments at ESV

Following retirements, ESV announced two management appointments during the year.

Chris Shawyer, previously Electricity Network Manager at Melbourne Airport, was appointed Manager Electricity Supply Safety.

Doug Rennie was seconded from ESV's Gas Investigations and Prosecutions area to the role of Manager Gas Installation Safety.



CORPORATE ACTIVITIES

ESV RECEIVED SOME QUALITY FEEDBACK ON THE STANDARDS OF ITS SERVICES AND INTERACTION WITH STAKEHOLDERS FROM ITS CUSTOMER SATISFACTION SURVEY UNDERTAKEN BY QUANTUM MARKET RESEARCH.

LEGISLATION

Key amendments to the *Electricity Safety Act 1998* were enacted during 2007/2008. Part 10 of the Act was amended to require electricity distribution and transmission companies to submit and comply with electricity safety management schemes. The new requirements will commence simultaneously with new supporting regulations, which are expected to be made in 2009.

Other changes were made in order to:

- + Give ESV the power to require rectification of defective electrical work;
- + Improve the representation of the railway and tramway industries on the Victorian Electrolysis Committee; and
- + Repeal redundant provisions relating to electricity safety managers.

In separate amendments, the period for which electrical contractors may be registered was extended from one year to a maximum of five years to reduce administrative burdens on industry. Section 93 of the Act was amended to make owners of cathodic protection systems responsible for the registration and correct operation of those systems.

New regulations

New safety regulations in relation to gas quality and testing were made in October 2007. In addition, ESV continued its program to re-make other gas and electricity safety and efficiency regulations that expire in 2009 and 2010. As this Report was being prepared, almost all regulations under the *Gas Safety Act 1997* and the *Electricity Safety Act 1998* are under review as part of the development of replacement regulations. In many cases draft regulations have been submitted to Parliamentary Counsel for approval. Regulatory Impact Statements are being prepared with respect to all new regulations.

The next regulations due for re-making are the Gas Safety (Safety Case) Regulations and Gas Safety (Gas Installation) Regulations. The new regulations are expected to commence in January 2009.

There are further references to legislative issues and the re-making of some electricity and gas safety regulations elsewhere in this Annual Report.

ESV AND WORKCOVER SIGN MEMORANDUM OF UNDERSTANDING

ESV and the Victorian WorkCover Authority (WorkSafe Victoria) signed a Memorandum of Understanding (MOU) during the year.

Objectives of the MOU:

- + To ensure that as far as possible the same health and safety requirements are imposed on all workplaces in Victoria, and that these requirements are administered in a consistent manner.
- + To assist Victorian workplaces achieve best practice levels of health and safety for workers and the public;
- + To ensure the effective co-operation of both parties in the administration of their respective requirements in relation to the matters set out in the Schedules; and
- + To assist workplaces and other parties to meet the requirements of both parties without any unnecessary duplication of effort.

The MOU imposes a number of undertakings on both parties, including a requirement to establish and maintain liaison contacts to ensure the effective operation of the agreement.

ESV'S CUSTOMER SATISFACTION SURVEY

ESV received some quality feedback on the standards of its services and interaction with stakeholders from its customer satisfaction survey undertaken by Quantum Market Research. The interviews were conducted in May and June, 2007, with the survey report provided in July.

A total of 400 electrical stakeholders, 300 gas stakeholders and 15 "special" stakeholders were interviewed as part of the survey.

Electricity

As far as electrical stakeholders were concerned, the areas in which ESV is performing best included payment processes, knowledgeable staff, friendly and approachable staff, high quality service and the many ways to contact ESV.

Two areas of importance on which ESV is under performing but improving, according to respondents, were keeping customers informed of changes affecting them and the industry.

The overall satisfaction with ESV by electrical stakeholders was rated at 90%.

Gas

The areas in which ESV was performing best according to gas stakeholders included knowledgeable staff, high quality service, friendly and approachable staff and easy to understand information.

Areas of importance on which ESV is under performing were communicating with the general public about the importance of gas safety, keeping customers informed of changes which were occurring in the industry, keeping customers informed of changes affecting them and giving sufficient time and attention to customer needs.



An overall satisfaction with ESV of 95% was measured amongst gas stakeholders.

"Special" stakeholders

Some 87% of special stakeholders, which included regulators, Government representatives, safety organisations, trade unions, employer associations, distributors and retailers, registered satisfaction with the service they received from ESV.

The large majority of special stakeholders had at least one issue with ESV which needed resolving in 2006/07. The vast majority – 85% of them – were happy with the outcome.

Looking forward, 27% of respondents in this category believed that ESV should focus attention on "consultation with industry" and "educating the community".

ESV proposes another customer satisfaction survey in either late 2008/09 or the following year.



ESV Gas Inspector Peter Ryan (right) discusses a unique gas fired soil remediation process underway in Princes Highway, Springvale – the site of reportedly the largest retail complex in the Southern Hemisphere – with left to right: licensed Type B gas appliance contractor Laurie Grigg, and Innova Sol technology representatives Graham Forward and Ben Willis. See page 40.

Executive Administrator Taryn Drewett with an issue of the [energysafe](#) magazine.

CORPORATE ACTIVITIES

ESV Prosecuting Solicitor John Murphy.

PROSECUTIONS WERE INITIATED AGAINST 22 REGISTERED ELECTRICAL CONTRACTORS, 19 LICENSED ELECTRICAL WORKERS, THREE PLUMBERS, TWO LICENSED ELECTRICAL INSPECTORS AND 16 UNREGISTERED PERSONS.



PROSECUTIONS

ESV completed successful prosecutions against more than 60 companies and individuals for 279 offences breaching the Electricity Safety Act, Gas Safety Act and associated safety regulations in what was a busy year.

The prosecutions related to a number of offences including unlicensed/unregistered work, failing to have prescribed work inspected, failure to provide certificates of electrical safety and failing to complete certificates of compliance.

Prosecutions were initiated against 22 registered electrical contractors, 19 licensed electrical workers, three plumbers, two licensed electrical inspectors and 16 unregistered persons. Of interest in 2007/08 were two prosecutions for breach of undertakings given to the Court and six prosecutions for giving false and misleading information to ESV.

In addition there were five prosecutions for employing persons who were either not licensed/registered or who were not licensed to work unsupervised.

Penalties included 30 undertakings to be of good behaviour, 22 fines without conviction and 10 fines with conviction. Fines totalling \$60 600 were imposed. Some defendants were ordered to provide a total of \$20,250 in gifts to the Court Fund or nominated charities.

Costs against defendants of \$74,914.72 were awarded to ESV as a result of the court actions.

In recent years ESV has increasingly targeted action against unregistered and unlicensed people who hold out to be electrical contractors and carry out electrical installation work when not qualified to do so because of the dangers they pose to themselves and others, and 2007/08 was no exception.

Here are two examples of prosecutions undertaken by ESV through the courts in 2007/08.

Penalty for breaching a court imposed bond

In July 2005 a defendant was charged with carrying out electrical installation work while unlicensed. The work contained a number of instances of non-compliant work and the defendant gave an undertaking to the court that arrangements would be made for the work to be rectified.

The magistrate ordered the defendant to be of good behaviour for 12 months – the order being conditional on the defendant meeting the costs of the repairs arising from the non-compliant work. The defendant was advised of the work which needed to be carried out.

In November 2007, the victim in the case advised that the work had not been rectified. A further letter was served on the defendant allowing a further three weeks to comply with the undertaking provided to the court – but nothing was done.

In March 2008, the defendant was charged with breaching the undertaking, and ESV asked the court for the undertaking to be cancelled, for a fine to be imposed for the original offence and for further punishment for breaching the undertaking.

The Court cancelled the undertaking and imposed the maximum fine for the original offence of \$5,000 plus the maximum fine for breach of the undertaking of \$1,000. The defendant was also ordered to pay costs of \$1,915.

The case served as a good example to those who breach court undertakings.

Retailer convicted of selling unsafe electrical products

A company operating three retail stores in the Melbourne suburbs was convicted and fined \$4,000 with costs of \$1,553, for breaching the *Electricity Safety Act 1998* by selling unapproved and unsafe electrical products. The defendant pleaded guilty to 14 charges.

The charges were only laid after repeated warnings had been given to the company by ESV.

Seven of the charges related to a brand of powerboard which did not meet the prescribed standard. Examples of non-compliance included single pole switches instead of double pole, mains leads inadequately retained and incorrect or missing rating labels.

The other seven charges related to appliances which had not been approved by ESV or any other electrical safety regulator.

In passing sentence, the Magistrate said even though the goods were imported the obligation fell upon the retailer to ensure that they met the required standards.

The case served as a warning to retailers and wholesalers that it is their responsibility to ensure that the products they sell are safe and, where required, approved by an electrical approvals authority.

Company prosecuted after one of its employees is electrocuted

In a WorkSafe prosecution, Camden Neon Pty Ltd which manufactures and carries out maintenance on display signage pleaded guilty in the County Court to one charge laid under the *Occupational Health and Safety Act 2004* following the electrocution of one of its employees.



FINANCIAL REVIEW OF OPERATIONS

	07/08	06/07	05/06
Total expenses	19,536	18,832	16,745
Total revenue	19,929	19,099	16,605
Operating surplus/ (deficit)	393	267	-140
Total assets	7,407	7,675	8,181
Total liabilities	3,590	4,251	5,024
Net assets	3,817	3,424	3,157
Total equity	3,817	3,424	3,157

Sion Rees, 26, of Sunbury died in hospital four days after receiving an electric shock as he removed broken glass from a “live” light fitting at a Coburg North car yard in April 2006.

The court was told he had not been provided with protective gloves and was using an uninsulated screwdriver.

Judge Sue Pullen said the company’s working practices were grossly inadequate or non-existent.

“Simple procedures could have prevented the death of this young man... it was only good luck that there had not been a fatality before.”

In this case, Camden Neon employees routinely left the power on when they carried out sign maintenance. The firm also did not have a tag and lock out procedure for use when working with electricity.

There was no written job safety analysis or work permit system before electrical work was done and employees had inadequate information, instruction and training in relation to the safe operation of the elevating work platform (EWP).

Mr Rees’ workmate who was in the EWP with him generally worked in the company’s factory and was new to this particular job. He did not know how to operate the EWP when Mr Rees received the electric shock.

The company was convicted and fined \$300,000.

INFORMATION TECHNOLOGY

ESV introduces online service for the renewal of licences and registration

During the year, ESV expanded and enhanced its range of online services enabling in particular registered electrical contractors, licensed electricians and licensed electrical inspectors to renew their registrations and licences electronically – and undertake other business processes online.

In another initiative, branch offices of agencies distributing certificates of electrical safety on behalf of ESV now have the opportunity to conduct more of their business with the organisations online. Internal business processes within the branches have also been enhanced through using the ESV system.

Ahead of introducing the changes, ESV conducted research in which respondents indicated a strong desire to conduct more of their business with ESV online.

Promotional leaflets explaining the new services were distributed to stakeholders before the changes were introduced.

The services available to stakeholders through ESV’s expanded and enhanced online system are as follows:

- + **Registered Electrical Contractors** can renew registrations, change business details and improve the ordering and management of certificates of electrical safety.
- + **Licensed Electrical Workers** can renew licences and use the system to view reports of business activities.
- + **Licensed Electrical Inspectors** can renew licences, add inspection classes and view reports of business activities.

+ **Agency branch offices** can view stock levels of certificates of electrical safety, view sales history and transfer or re-stock incorrectly sold certificates.

ESV has determined that because some registration and licence holders do not wish to avail themselves of the online services, traditional processes for renewals and other business will remain in place for as long as there is a need.

ESV will be progressively increasing its range of online services.

FINANCE SUMMARY

ESV generated an operating surplus of \$393,000 for the year, a position slightly above budget, and an increase of \$126,000 on 2006/07.

Total equity increased during the year from \$3.4M to \$3.8M. Highlights included:

- + An increase in cash and cash equivalents of \$576,000
- + A decrease in receivables of \$732,000
- + A decrease in payables of \$708,000
- + A decrease in provisions of \$68,000

The reduction in receivables has been used to reduce payables and provisions.

The accumulated surplus for ESV is \$207,000, and it is the first time ESV has recorded an accumulated surplus at 30 June since establishment in 2005.

The outlook for 2008/09 is based on a break even operating result, a further reduction in payables and provisions and a further transfer within assets from receivables to cash assets. The net asset position at 30 June 2009 is not expected to materially change.

PUBLIC AWARENESS AND COMMUNICATIONS

ESV WAS BUSY DURING 2007/08 PURSUING ITS OVERALL COMMUNICATIONS STRATEGY OF ASSISTING BOTH THE GENERAL PUBLIC AND ENERGY INDUSTRY TO STAY SAFE AROUND ELECTRICITY, GAS AND PIPELINES BY RAISING AWARENESS OF SAFETY ISSUES.

THE MESSAGES

Many energy safety messages have become familiar to the Victorian community over the years, but will be continually promoted in the years ahead by ESV with the support of safety partners.

- + Look Up And Live
- + Dial Before You Dig
- + Never Do It Yourself – electricity and gas work
- + Only use licensed tradespeople for electrical and gas work
- + Check the licences of tradespeople when they call
- + 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
- + Be safe with electric blankets
- + Be aware of BBQ safety
- + Insist on a Certificate of Electrical Safety or Certificate of Compliance when electrical and gas work is completed.

ESV continually reviews its collection of messages and adds new ones when particular safety issues need addressing. New messages for 2008/09 include:

- + Never use damaged or ageing electrical equipment
- + Avoid the overuse of powerboards and extension cords.



PUBLIC AWARENESS AND COMMUNICATIONS

Shots from recent ESV television commercials: An LP Gas cylinder catches fire, and former international swimmer, Brooke Hanson, warns against using aged and damaged electrical appliances.



ESV'S NEW TELEVISION COMMERCIALS

ESV produced three new safety commercials in 2007/08, although two of them will not be seen until the next financial year.

One of the commercials aims to raise awareness of the need for care when using outdoor gas appliances, in particular, barbecues, gas lights, heaters etc. It stresses the importance of ensuring that appliances and gas cylinders are safe and in good condition and that connections between the Liquefied Petroleum Gas (LPG) supply and equipment are sealed and tight.

The commercial depicts a happy scene, people having a good time around the camp fire when there is a reality check and flames are seen escaping from the valve of a LPG cylinder. Thanks to the quick action of one of the campers the flame is extinguished and there are no injuries – just shock at what happened.

The message of this commercial is:

Whenever you use gas appliances at home or on holiday, always check the fittings are tight and the hoses are in good working order. Never use appliances inside tents or near anything flammable. Always treat gas with respect. Click on to Energy Safe Victoria.

ESV produced the commercial following two deaths in 2006/07 caused by fires resulting from gas escaping due to insecure fittings between appliances and LPG cylinders. Two girls received serious burns in a tent fire also resulting from gas escaping from a cylinder.

The commercial was shown for the first time in the Spring of 2007, along with another new production which had not been previously televised in which a “real” electrician urges the community to always use a licensed electrician, check the licence when the electrician calls, and insist on a certificate of electrical safety when the work is completed.

This commercial was produced late in the last financial year and reported in the 2006/07 Annual Report.

The “electrician” and “BBQ safety” commercials featured in ESV’s spring, pre-Christmas and pre-Easter public awareness campaigns. Two other commercials, “take care when cooking” and “appliance maintenance”, produced in 2006, featured in the winter campaign.

Media releases from the Minister for Energy and Resources, Peter Batchelor, and ESV were issued to coincide with the first broadcast of the new commercials.

In late 2007/08, ESV produced two new commercials featuring retired Olympic swimmer, Brooke Hanson, who received an electric shock during a spa pool demonstration at a show in June 2007.

One commercial promotes the importance of never using damaged or ageing electrical equipment. The script reads:

Electricity safety is a serious issue. As the victim of an electric shock, I can tell you it's very painful. So don't take chances with electricity. For your safety and that of others regularly check electrical equipment for signs of damage or ageing. If in doubt, don't use it - and make sure nobody else does. Remember to be safe around electricity.

The second commercial warns against the overuse of powerboards and extension cords. It reads:

As the victim of a painful electric shock... I know the importance of electrical safety.

Powerboards and extension leads can be dangerous, and are just a temporary answer to powering appliances.

They can overheat and cause fires. And if faulty, can cause electric shock.

So get a licensed electrician to install permanent electrical fittings.

It's a small price to pay for safety.

These commercials will be shown for the first time early in 2008/09 during coverage of the Olympic Games.

RADIO COMMERCIALS

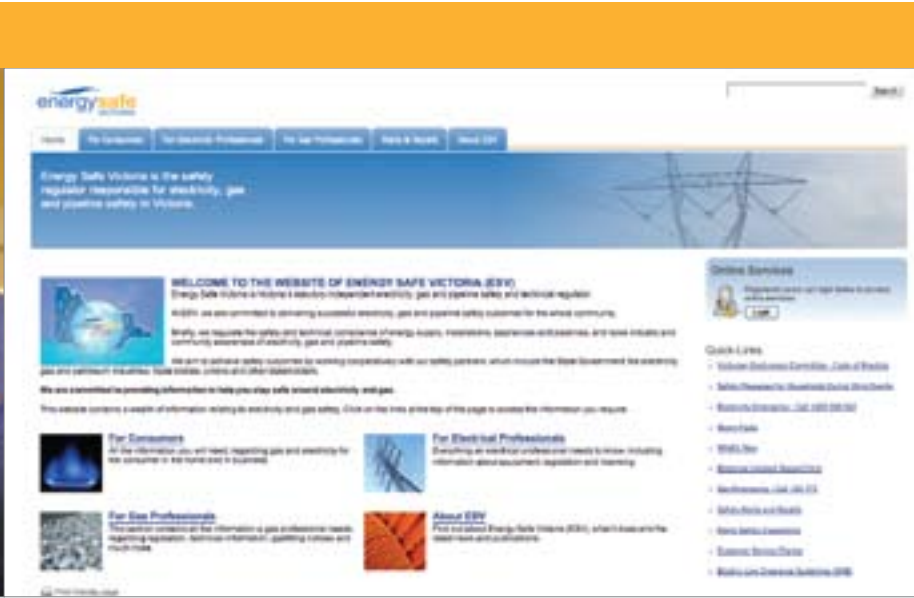
ESV continues to make effective use of radio advertising on Melbourne and regional commercial stations. ESV’s television commercials have radio equivalents, while two radio-only commercials covering unsafe Christmas lights and electric blanket safety were broadcast during the year.

ESV also developed a series of 10-second electricity and gas safety messages in 2007/08 for use as adjuncts to the road traffic reports featured on Melbourne’s commercial radio stations.

It is proposed to continue this approach in 2008/09.

"Always use a licensed electrician"

The ESV website.



COMMUNITY SAFETY ANNOUNCEMENTS (CSAs)

ESV continues to benefit significantly through its applications to the State Government for Community Service Announcement allocations to supplement its paid television, radio and newspaper campaigns.

Apart from the extended television and radio campaigns, other CSA allocations enabled ESV to advertise its electrical Home Safety Inspections for a number of weeks in Saturday's Herald Sun and the mid-week MX newspapers.

ESV proposes to seek continued CSA support in 2008/09.

REACH AND RECALL SURVEYS

ESV continually arranges surveys to measure the reach and recall by the general public of the messages featured in energy safety public awareness campaigns.

Since its formation three years ago, ESV has introduced a totally new suite of safety commercials, replacing such messages as "Frank in the Roof" and "The Burglar" which date back some 20 years or more.

Recognising that it will probably take some time before the general community's awareness of the commercials matches that of the old, no surveys were commissioned in 2007/08. It is proposed to conduct one survey early in 2008/09.

ESV WEBSITE – www.esv.vic.gov.au

ESV's new and much improved website was successfully commissioned in early 2007/08 after months of consultation on its design and features, and lengthy development. During the first few months, the website represented a "work in progress" with safety material and information needing to be constantly updated.

While much has been achieved, a significant amount of time and resources continue to be devoted to the management and updating of the content on the site. Every effort is made and will continue to be made to ensure the consistency and quality of all material on the site is maintained for accuracy and relevancy.

THE ENERGYSAFE MAGAZINE

ESV published another four issues of its industry magazine which has come to be regarded as a good communications channel for reaching ESV's principal stakeholders – the electrical and gas trades. The print order for each issue during the year was 55 000 with copies distributed to other parts of Australia and overseas, as well as Victoria. While the publication is well received within the electricity and gas industries, advertising support to assist in offsetting the production, printing and distribution costs remains disappointing. In 2008/09 recipients on the magazine distribution database will be asked if they wish to receive the publication electronically as an e-book. This has the potential to significantly reduce the principal production cost – distribution by mail. The more recent issues are now available on the ESV website.

ELECTRICAL HOME SAFETY INSPECTIONS

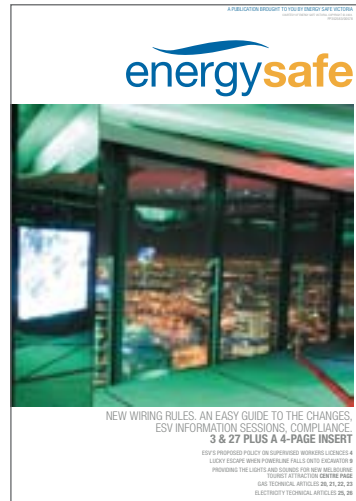
ESV has continued to heavily promote awareness of the electrical Home Safety Inspection Scheme particularly within the senior citizens community. The response to ESV's offer of a \$50 rebate off the cost of an inspection for Seniors Card holders introduced in 2007/08 resulted in a marked increase in the number of inspections carried out, although from an overall perspective there has been a poor take-up of the scheme – partly because of the cost of inspections and the failure of the inspection companies to properly embrace it. Advertising the rebate in seniors newspapers has ceased for 2008/09 while consideration is given to the future of the scheme.

WORKING WITH SAFETY PARTNERS

ESV is pleased it has established positive relationships with safety partners, including the state's fire authorities, WorkSafe Victoria, electricity distribution businesses, Dial Before You Dig, the Victorian Adult Burns Services and other organisations committed to spreading the energy safety messages through their work. Initiatives have included joint media releases and other activities promoting such issues as "Look Up And Live", "electric blanket safety" and "beware cheap Christmas lights". Further joint communications and awareness initiatives are proposed for 2008/09.

PUBLIC AWARENESS AND COMMUNICATIONS

ESV's *energysafe* magazines published in 2007/08.



ETHNIC AUDIENCES – TRANSLATION SERVICES

Reaching ethnic audiences – where English is not the first language – is a major issue for all organisations needing to communicate important information regularly across the Victorian community.

In 2007/08, ESV communicated its “electric blanket safety” message to a wide variety of ethnic publications through specialist translation agency LOTE Marketing. The release was translated into Sudanese Arabic, Croatian, Chinese, Arabic, Vietnamese and Turkish, and distributed to a number of ethnic newspapers and radio stations.

In another initiative, a letter from the Director of Energy Safety was translated into Chinese and Vietnamese and distributed to newspapers asking them not to accept advertisements from “electricians” who do not hold appropriate registration and licences.

A media release was also distributed to newspapers and radio stations advising the Chinese and Vietnamese communities of the need to only use qualified tradespeople. The letters and releases were sent to some 18 newspapers and five radio stations.

The initiatives assist ESV in fulfilling its obligations towards non-English speakers in 2007/08. It is proposed to make additional use of ethnic media channels in 2008/09.

MEDIA RELEASES

Media releases issued by ESV in 2007/08 included:

- + 14 October 2007– Never “Do It Yourself”
- + 14 October 2007 – release from the Minister for Energy and Resources, Peter Batchelor: Essential advice when using BBQs and other outdoor gas appliances
- + 1 November, 2007 – Be Barbecue Safe at this year’s Melbourne Cup
- + 12 December, 2007 – Warning: take care with Christmas Lights
- + 19 March 2008 – Farmers and truck drivers urged to always “Look Up And Live”
- + 5 April, 2008 – Urgent safety messages for households without electricity supplies
- + 7 April, 2008 – Urgent safety message for households without electricity supplies
- + 22 May 2008 – High damage bill from fires caused by electric blankets
- + 25 June, 2008 – Safety messages for households during storm events

SAFETY ALERTS

Safety alerts issued by ESV included the following:

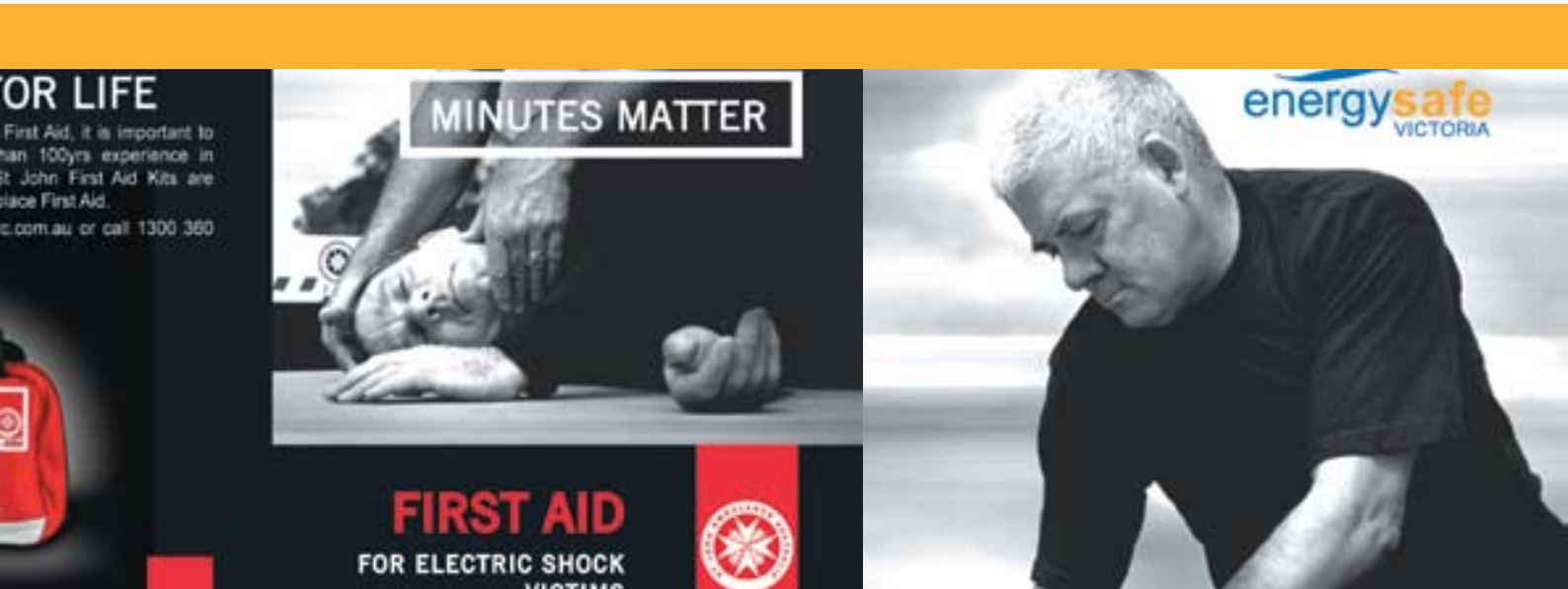
Electrical

- + 2 July, 2007 – Electrical supplies at events must be compliant and in proper working order
- + 18 July 2007 – Always verify the source of the electricity supply
- + 2 October, 2007 – Health and safety alert: IPD Series 7 fuse base contamination
- + 23 November, 2007 – Metering antenna bracket found to be live

Gas

- + 22 February, 2008 – urgent recall: Raypack Pool and Spa Heaters
- + 28 April, 2008 – safety notice: Fisher Controls R622H Gas Pressure Regulators

The brochure "First Aid for Electric Shock Victims".



WILD STORMS – ESV ADVICE FOR PROPERTIES WITHOUT POWER

ESV issued two urgent safety messages through the media following the wild storm event on 2 April 2008. The advice:

- + When outdoors keep clear of fallen powerlines and make sure others do the same.
- + Households still without power after electricity supplies have been restored to their neighbourhood should seek the help of their network provider.
- + Householders must not connect generators or perform other electrical work around the home. Such practice is both illegal and dangerous.
- + If there are continuing power supply problems within properties, an electrician licensed by Energy Safe Victoria must be engaged to perform the work.
- + Where properties have been severely damaged by storms, it is imperative that checks of wiring and other electrical installations are made before appliances are connected and turned on. Such checks must be carried out by a licensed electrician or licensed electrical inspector.
- + Make sure heating and cooling appliances are turned off (if they come back on and there is no one at the property fires could eventuate.)

NEW BROCHURE: FIRST AID FOR ELECTRIC SHOCK VICTIMS

A new brochure detailing how to provide First Aid for victims of electric shock was produced jointly by St John Ambulance and ESV. It replaces the brochure "First Aid for Electric Shock Victims" produced by the former Office of the Chief Electrical Inspector.

The new brochure is entitled "Minutes Matter" and covers First Aid for electric shock, rescue, burns and how to save a life. Photos in the brochure provide useful advice and guidance on how to treat victims.

"LOOK UP AND LIVE"

ESV conducted another intense television and radio campaign across regional Victoria during early 2008 warning of the need to always "Look Up And Live". The campaign coincided with the start of the main season for deliveries of bulk supplies of fertiliser, lime and other materials to farms and received extensive support from electricity distribution companies, SP AusNet and Powercor.

The centrepiece of the campaign was the television commercial produced by ESV in late 2006 and shown for the first time in early 2007 which directly targets truck drivers and farmers. A corresponding radio version was aired across regional stations.

"Look Up And Live" brochures, stickers and posters continued to be distributed by WorkSafe Victoria throughout the State to maintain awareness of the dangers when working near powerlines.

In a new approach aimed at preventing incidents involving vehicles, equipment and overhead powerlines, ESV proposes to produce a new "Look Up And Live" instructional DVD during 2008/09. It will also feature messages from bereaved family members of the truck drivers who were electrocuted on farms in 2006.



RON LINTON 50 YEARS EXPERIENCE IN THE ELECTRICAL TRADE

Ron Linton brings nearly 50 years of experience to his job as an ESV Electricity Compliance Officer based in Ballarat.

Commencing his electrical mechanics apprenticeship in 1960, Ron gained his early experience with electrical contractors in South Melbourne and Collingwood working in heavy industrial type installations including the petro-chemical and footwear industries.

His five-year apprenticeship was supplemented with trade schooling at the former Footscray Tech.

Ron joined the former State Electricity Commission of Victoria (SEC) in 1968 and fulfilled a number of roles over the next 22 years including the Victorian relief inspector with the Chief Electrical Inspector's office and as the regional installation officer firstly Mildura and then Ballarat.

He left the SEC in 1990 to work in a number of areas particularly involved in training electricians and developing the examination modules to test their competency.

He also carried out contract inspection work for some of the distribution businesses established following the disaggregation of the SEC.

Ron joined the former Office of the Chief Electrical Inspector, later ESV, in January 2000 to be based at the organisation's new Ballarat office, which was officially opened in August the same year.

SO WHAT'S INVOLVED IN A TYPICAL DAY FOR AN ESV REGIONALLY BASED COMPLIANCE OFFICER SUCH AS RON?

At work early to complete important paperwork before making a number of calls to inspect new electrical work and the progress of existing projects is the start of a normal day for Ron. Another day could involve travelling to other parts of the State conducting inspections on the way and finishing off with a presentation on the Electricity Safety (Installations) Regulations at an information night for contractors and electricians organised by NECA.

On this typical day, Ron needed to manage an application for an exemption from the earthing requirements of the new Wiring Rules, AS/NZS 3000:2007. The developers of a house had started construction before the introduction of the Rules and had not made arrangements to accommodate new requirements relating to earthing the concrete slab of the property.

Then it was off to make his inspections and visits including:

- + Inspecting the new main switchboard at the premises of Ballarat-based computer company, B&D Technologies, where a major expansion of its premises is underway:
- + Checking the earthing arrangements at the newly established 66kV/11kV switchyard for the LGL Ballarat Goldfields expansion project:
- + Discussing and confirming the approach by Ballarat switchboard manufacturer, DW Controls Pty Ltd, to a query by one of its customers relating to a new transfer switch required at the customer's premises.

As Tony White, Managing Director DW Controls, said: "We've known Ron a long time and we use him as a back-up when we need independent advice."

"RON HAS ENORMOUS BREADTH OF EXPERIENCE AND KNOWLEDGE. HE CAN ANSWER SO MUCH WHEN MANY PEOPLE IN THE INDUSTRY WOULD NOT EVEN KNOW WHAT WE ARE ASKING ABOUT."

RON LINTON



ESV Compliance Officer, Ron Linton, at work.
Main picture: Discussing plans at the LGL Ballarat Goldfields switchyard with the company's Electrical Superintendent, Paul Stamp.

SAFE AND EFFICIENT ELECTRICITY

IT HAS BEEN A BUSY YEAR IN THE AREA OF ELECTRICITY INSTALLATION, EQUIPMENT SAFETY, AND EQUIPMENT EFFICIENCY. NUMEROUS ISSUES AND CHALLENGES WERE ADDRESSED, AS REPORTED BELOW.

INSTALLATION SAFETY

NEW WIRING RULES

The new Wiring Rules – AS/NZS 3000:2007 – were published on 12 November 2007 and applied from the date of publication.

In a statement to the electrical trades shortly after publication, Director of Energy Safety, Ken Gardner, said electricians were expected to work to the new Wiring Rules as soon as practicable, but be compliant by 30 June 2008.

“We accept that the adoption of the new Rules from a practical and commercial perspective is not an easy task. Therefore between now and 1 July 2008, where breaches of the Wiring Rules are detected, we will exercise our discretion when considering enforcement,” he said.

WIRING RULES INFORMATION SESSIONS

ESV with the assistance of NECA and the ETU conducted a large number of information sessions across Victoria to assist the industry to become compliant with the new Wiring Rules. The sessions commenced in March and concluded by the end of the financial year.

A total of 23 sessions were held in the metropolitan area and 14 sessions in regional locations. By the end of the program, more than 4000 had attended the sessions.

CERTIFICATE OF ELECTRICAL SAFETY AND INSPECTION PROCESSES

During the year ESV conducted extensive consultation across the industry on changes to the certificate of electrical safety and inspection process for inclusion in the new Electricity Safety (Installations) Regulations to be introduced in 2009.

The review enabled ESV and the industry to examine the business rules covering relationships between licensed electrical inspectors and registered electrical contractors. It is recognised that the current arrangement allowing RECs to use the same LEIs to inspect all their prescribed work can potentially lead to a conflict of interest, resulting in careless behaviour impacting safety.

During the consultation, ESV received feedback on a number of options. They included:

- + Continue with the current arrangements but increase the number of audits;
- + Introduce new business rules preventing RECs from using the same LEI for more than 30% of their prescribed work in the metropolitan area and 50% in regional areas;
- + Introducing a centralised booking system to arrange inspections of prescribed work; and,
- + ESV directly hiring LEIs.

As the basis for further discussions, the proposal to prevent RECs from using the same LEI under the 30%/50% formula was suggested.

The proposal aroused some concern in the industry and ESV is examining another option. This would require LEIs to lodge certificates online, with ESV increasing the number of audits and targeting particular situations where RECs use the same LEI for more than 30% of their prescribed work in the city area and 50% in regional areas, but without imposing any constraint on REC behaviour.

Whichever proposal is adopted, it must be subjected to a regulatory impact statement, a cost benefit analysis and the approval of the Victorian Competition and Efficiency Commission. Formal consultation with industry would follow.

ONLINE CERTIFICATE OF ELECTRICAL SAFETY

An online certificate of electrical safety will also be prescribed in the new Electricity Safety (Installations) Regulations. It will be possible to purchase and lodge certificates online and report defects. The move means that electronic copies of certificates submitted to ESV need no longer to be retained by the REC or LEI. It is proposed to have the online system operational during 2009 to coincide with the release of the new regulations.

RECS CAN RENEW REGISTRATION EVERY FIVE YEARS

New legislation titled the Energy and Resources Amendment Bill 2008 will amend the *Electricity Safety Act 1998* to introduce five-year registrations for RECs to bring them in line with electricians' licences.

Under the change it is proposed that RECs will be able to renew registrations annually as at present or for the new longer period.

ESV informed the industry that before regulations are introduced, it will be working on the mechanics for progressively introducing the change and how RECs can benefit from the new arrangement.



ON-LINE EQUIPMENT APPROVALS

With the increasing demand for approvals for new equipment within Australia, ESV is developing an online equipment approval system that will be operational by 1 October 2008.

Under the system, the applicant will be able to submit the required information online and pay the required fee.

While the approval process is underway, the applicant will be able to check the progress of the application electronically without the need to contact ESV. When the product in question is approved, the applicant will be notified online.

This system also enables the general public to check online whether a product has been approved or not.

LIFT INSTALLATIONS – AREAS OF CONCERN IDENTIFIED BY ESV

ESV served notice on segments of Victoria's lift installation industry during the year that they will be subject to additional audits after inspections of current practices revealed a number of areas of concern from a compliance and electricity safety perspective.

Lift industry consultants, licensed electrical workers and union bodies representing the workers raised concerns with ESV about aspects of lift installations – in particular conformity to electrical wiring standards.

As a result ESV undertook an audit program of selected lifts to identify the level of conformity with relevant Australian Standards. Results of a limited audit indicated a consistent lack of conformity in some aspects of lift installation.

ESV met lift installation companies to relay the concerns which have increased in recent years because of changes to lift installation techniques, particularly the introduction of the "Motor Room Less" (MRL) type of elevator which differs from those traditionally installed in high rise buildings.

ESV is addressing the issues which have been identified, with the intention of removing both the inconsistencies and non-compliant practices carried out by some sections of the lift installation industry.

Paul Stamp of LGL Ballarat Goldfields with ESV's Ron Linton.
See page 20.

SAFE AND EFFICIENT ELECTRICITY

DURING THE YEAR, ESV HAS CARRIED OUT A NUMBER OF INVESTIGATIONS INTO INCIDENTS INCLUDING TWO ELECTROCUTIONS, AND A NUMBER OF ELECTRIC SHOCKS, NEAR-MISSES, FIRES AND OTHER ISSUES.

CHANGES TO THE ELECTRICITY SAFETY ACT

New legislation, the *Electricity Safety Amendment Act 2007* passed through State Parliament during the year to amend the *Electricity Safety Act 1998* to mandate the submission and compliance with electricity safety management schemes by major electricity companies, and require registered electrical contractors and licensed electrical workers to rectify any unsafe defective electrical work.

Requirements relating to electricity safety management schemes are covered in the SAFE AND EFFICIENT SUPPLY OF ENERGY section of this report.

Rectification of work

The Act provides that ESV may, by written notice, require an REC or LEIW that carried out unsafe work to rectify it at no additional expense to the customer. Penalties apply for non-compliance with a rectification notice.

However, an REC or LEIW can avoid a notice under the Act, and the risk of a penalty for non-compliance, by rectifying unsafe work promptly.

The Act ensures that defective work that is unsafe is made safe as soon as possible – regardless of whether the consumer chooses to enforce his or her contractual rights.

Compliance with a notice from ESV to rectify unsafe and defective work is subject to the right of review by the Victorian Civil and Administrative Tribunal.

Rectification of unsafe defective electrical work may include the labelling of switchboards, the securing and protection in position of cables and the secure installation of equipment.

STANDARDS

ESV has continued to be involved with the electrical standards development process. During the past 12 months work has continued through participation with committees working on standards that affect:

- + Electrical installations
 - EL 001 – Wiring Rules
 - EL 001 17 – Construction and demolition sites
 - EL 014 – Hazardous installations
 - HT 021 – Medical installations
- + Electrical equipment
 - EL 004 – Electrical equipment
 - EL 002 – Maintenance
 - QR 12 – Regulatory compliance
 - EL 008 – Cabling
 - EL 041 – Lighting
- + Energy efficiency
 - EL 015 – Quality and performance of household electrical appliances

SERIOUS INCIDENTS

DEATH OF LINeworker

Alinta lineworker, Allen Pearson (38), was electrocuted while restoring power supplies in Mornington on 3 April – the day following the extreme weather event which struck many parts of Victoria.

He was the eleventh Victorian electricity supply worker killed at work since 1987 and the first since 2001.

Two ESV investigators attended the scene shortly after the incident to provide the technical component for the investigations which also involve WorkSafe, Victoria Police and Alinta.

The victim and a colleague were carrying out repairs after an uprooted tree crashed through the powerlines and onto a house, sparking a fire. It is believed the lineworkers were isolating a section of network to repair damaged equipment when the incident occurred.

Investigations are ongoing.

DEATH OF TRAIN SURFER

ESV also assisted investigations into the death of a “train surfer” whose body was discovered on the roof of a carriage at Melbourne’s Flinders Street Station early on a Sunday morning.

Subsequent investigations using closed circuit television images revealed that the victim had climbed onto the roof of the train the previous night when it was travelling towards Werribee.

ELECTRICAL INCIDENT STATISTICS

2007–2008	Number of Incidents	Network Operator	LEW	Non Electrical Worker	Other
Fatality due to electrocution*	2	2	0	0	0
Fatality associated with an electrical incident	0	0	0	0	0
Serious Injury	67	0	14	27	26
Minor Injury	599	2	34	110	453
Total	668	4	48	137	479

2006–2007	Number of Incidents	Network Operator	LEW	Non Electrical Worker	Other
Fatality due to electrocution*	2	0	1	1	0
Fatality associated with an electrical incident	2	0	1	0	2
Serious Injury	56	2	10	19	12
Minor Injury	714	5	15	118	549
Total	774	7	27	138	563

PROSPECT ROAD, BENDIGO

Throughout the year ESV has worked with Powercor Australia and independent experts to identify the cause of the continuing power supply issues being reported from some factories on the Prospect Road, Bendigo, industrial estate.

ESV has been involved in investigating the issues, which include fires in power points not connected to the electricity supply and equipment blowing fuses when idle and not connected to a supply point, since April 2007 and has committed a large amount of resources to finding the cause.

ESV and Powercor are committed to continuing to investigate the issues until they are resolved.

LABOURER RECEIVES BURNS WHEN HE DRILLS THROUGH AN 11,000 VOLT CABLE

ESV and WorkSafe undertook joint investigations into an incident in which a 21-year-old labourer received serious burns to his hands and arms after drilling through an 11,000 volt cable on the Church Street Bridge in South Yarra.

The labourer was involved in a project strengthening and re-surfacing the bridge. He was drilling through a footpath at the side of the bridge to prepare for a concrete pour when the incident happened.

LUCKY ESCAPE IN POWERLINE INCIDENT

A man was lucky not to have been electrocuted when a powerline fell onto a front end loader at Thomastown. He received a serious electric shock and burns in the incident.

It was reported that the man and two others were at a work site when their car became bogged. A front end loader was used to drag the vehicle out of the mud.

After pulling the car clear the excavator started to roll back and hit a power pole, causing a 22,000 volt conductor to fall onto the excavator.

The electrical protective device operated and isolated the fault.

ELECTRICAL FAULT CAUSES FIRE AT RSL HALL

ESV carried out investigations into a fire at the Broadford RSL hall in early 2008 in which irreplaceable war and military service memorabilia were lost.

ESV and a CFA investigator determined that a failure of fluorescent lights used to illuminate a display of memorabilia was the likely original source of the fire.

INVESTIGATIONS INTO EVAPORATIVE AIR CONDITIONER FIRES

During the year ESV assisted Victoria's fire authorities – the MFB and CFA – investigating fires involving evaporate air conditioner and cooling units, following reports of significant increases in the number of fires involving such appliances in Victorian homes over recent times.

Investigations focussed on possible problems with evaporative air conditioners, some of them roof mounted, after both fires and incidents where smoke had entered homes.

ESV and the fire authorities agreed to investigate as many of the fire reports as possible. In some incidents, investigators found that fan motor start/run capacitors had ruptured and produced smoke but not caused fires.

Investigations are ongoing with the authorities still to determine the scale of the problem.

ESV asked all electricians called out to work on evaporative air conditioners to check the state of capacitors to determine if there is any deterioration and/or damage, and report their findings.

YOUTH RECEIVES SHOCK FROM CHURCH ROOF

A 15-year-old youth received a severe electric shock when he climbed onto the roof of a church at Dandenong to retrieve a ball. A minister at the church and a nine-year-old boy received minor shocks when they went to assist the youth.

A member of the congregation reported receiving an electric shock the previous day when fitting security meshing over an aluminium window at the church. He said he received the shock when installing a 12 mm self drilling stainless steel screw into the aluminium frame.

ESV determined that the roof became energised via conductive parts of the aluminium windows interconnected to metal parts of the roof structures when the screw penetrated one of the mains conductors located within the aluminium frame's mullion.

ESV reiterated the need for all electric shocks to be reported. If the original shock had been reported, there is a chance the incident involving the youth would have been avoided.

CRITICAL INJURIES AFTER CONTACT WITH POWERLINE

ESV investigated an incident at Mulgrave in which a 34-year-old man was critically injured when the bucket of an elevated work platform (EWP) in which he was working contacted a high voltage 22 kV overhead powerline.

The victim suffered serious burns to the right side of his body and was placed in intensive care at The Alfred hospital. He required extensive skin grafts.

The victim was part of a team removing asbestos at a factory site. He was removing metal flashing from a building when the incident happened.

SAFE AND EFFICIENT ELECTRICITY

A fire damaged oil filled heater.



CABLE JOINTER INJURED

A cable joiner was seriously injured in a reported explosion when working on a line at Southbank. The incident resulted in some 350 premises in Southbank and South Melbourne losing power for about 40 minutes after it happened.

The victim required lengthy hospital treatment.

ESV assisted WorkSafe and CitiPower with the investigations into the incident. It appeared the explosion occurred when the victim accidentally cut a live cable with a saber saw.

WARNING THAT NOT ALL CIRCUIT BREAKERS ARE EQUAL

The fact that some electricians inadvertently install isolating switches in switchboards as circuit breakers became evident during an ESV investigation of a switchboard fire in the classroom of a Melbourne suburban primary school.

Under normal circumstances the protective device at the main switchboard should have safely isolated supply when the incident occurred.

However, in this instance it was found that the device installed on the main switchboard was not an overcurrent protection device – but merely an isolation device.

Substantial smoke damage was caused to the classroom.

ESV advised electricians that if there was any doubt as to the capabilities of the device they were installing, they should contact the manufacturer or distributor for advice.

BUILDING WORKER LUCKY NOT TO BE ELECTROCUTED

ESV investigations into an incident on a building site in Melbourne's CBD in which a worker suffered an electric shock concluded that the victim was lucky not to have been electrocuted. The investigations exposed a non-compliant and unsafe cord extension set, temporary wiring and poor work practices.

ESV found a three-phase cord extension set plugged into a temporary supply box which was “dangling” unsupported down the outside of a building for six floors. As this still did not reach the ground, a four metre three-phase cord extension set was added to supply a wet saw which was being used to cut concrete in a lift well.

During use the saw stopped and when the intermediate plug and socket were “wiggled” the conductors within the plug fused, melted the plug case and gave the worker an electric shock.

The investigations showed that one wire within the plug had come out of the terminal and shorted to an adjacent phase resulting in a phase to phase short circuit.

BOY CONTACTS OVERHEAD CONDUCTOR ON RAILWAY LINE

ESV assisted Victoria Police and rail authorities with inquiries into an incident in which a 14-year-old boy received an electric shock and burns, and fell more than 10 metres to the ground, after climbing a structure on the Melbourne to Frankston railway line near Seaford.

It was found that the boy had climbed the steel structure and had been standing on the lower steel cross arm when he contacted the middle phase of the 22 kV conductor with his right hand. His left hand appeared to have been on the vertical section of the structure. He then fell to the ground sustaining serious injuries.

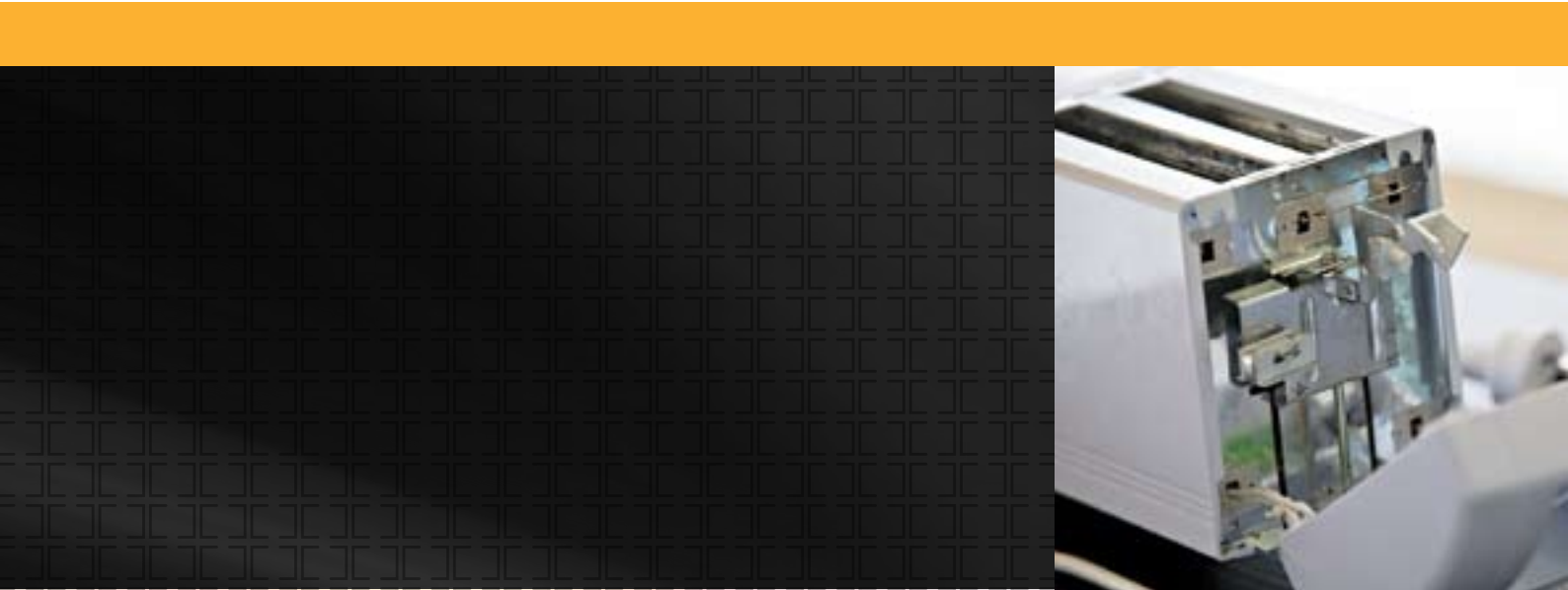
Following the incident the boy was placed on life support at the Royal Children's Hospital with burns to 40% of his body, together with a broken pelvis and femur. He also received serious injuries to his left foot and right hand.

APPRENTICE RECEIVES BURNS

A second-year apprentice received burns injuries while working on a switchboard at a Melbourne suburban shopping centre. He was taken to the Victorian Adult Burns Service at The Alfred hospital following the incident and made a good recovery.

In a statement provided to ESV, the apprentice said he was bolting an insulating panel on a new circuit breaker at the switchboard. During the process there was “a bang and a flash”. The apprentice's hair caught fire which was extinguished by his employer who was working nearby.

ESV reiterated its warning that electrical apprentices should never work on “live” equipment – regardless of how closely they may be supervised. Experienced electricians should only work “live” when there is absolutely no alternative to doing so. Even then work should not be undertaken unless full safety practices are followed.



WORKER INJURED IN TRENCH “EXPLOSION”

A worker received burns to his arms, face and chest when the bucket of an excavator struck an underground powerline in Lorimer Street, Port Melbourne. ESV assisted enquiries into the incident which occurred when contractors were laying a new fire service ring main pipe.

The victim was taken to The Alfred hospital for treatment.

A statement provided by the operator of the excavator involved in the incident said workers at the site had been made aware of a sewer and “live” powerline in the vicinity of the trench they were digging. The victim was in the trench.

The operator said the sewer was exposed mostly by hand and he then used the excavator to dig slowly – just between 30 mm and 50 mm of earth at a time. The victim was keeping watch on the teeth of the excavator’s bucket while the digging was underway.

According to the statement it was when the bucket was being slowly lifted that there was an explosion – with flames coming out of the trench.

INSTALLATION SAFETY STATISTICS

Activity	06-07	07-08
Applications granted under Regulation 416 of the Electricity Safety (Installations) Regulations	155	171
Letters of no objection	45	206
Breaches of regulatory requirements investigated	826	555
Warning letters sent	143	115
Investigations actioned within 5 days	240	325
Investigations – final action instigated within 30 days	596	230
Infringement notices issued	10	23
Site audits of licensed electrical installation workers	359	857
Audits of licensed electrical inspectors	44	60
Field audits of registered electrical contractors	252	254
Construction site audits	188	116
Information sessions	146	206
Attendees at sessions	6,906	6,187
Certificate Sales		
Prescribed	88,854	84,705
Non-prescribed	533,575	507,065
Periodic	815	842

SAFE AND EFFICIENT ELECTRICITY

RESULTS OF THESE AUDITS SHOWED 96.3% COMPLIANCE WITH MARKING REQUIREMENTS

EQUIPMENT SAFETY

AUDITS

In 2007/08, ESV's Equipment Safety audit team inspected over 1,200 items at point of sale and requested approval or safety information for dozens of products offered for sale on-line.

Through ESV constantly looking out for unapproved and unsafe electrical equipment being offered for sale and enforcing the requirements of the Electricity Safety Act, the general public is protected from the dangers of unapproved and potentially unsafe equipment.

Results of these audits showed 96.3% compliance with marking requirements. Sellers found supplying unapproved or unsafe items were sent "Stop Sale Notices" and in some cases recall notices.

A supplier was prosecuted and fined for selling unapproved and unsafe power boards.

ESSENTIAL SAFETY

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 the Electricity Safety Act and Regulations specify the minimum safety standards as clauses 4.1 to 4.5 of AS/NZS 3820 *Essential safety requirements for low voltage equipment*.

Briefly, the essential safety requirements are 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 electric 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 nine electrical equipment recalls conducted in 2007/08 in Victoria either directly by the supplier in Victoria or as a result of ESV investigations.

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.

Additionally, products that have been shown to cause electric shock or fires or are potentially hazardous require pre-market approval. This consists of demonstrating the appliance complies with the specific product safety standard by way of an independent third party 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.

CHECK TESTING TO ENSURE PRODUCTS ARE COMPLIANT AND SAFE

As an important part of continued market surveillance a range of products is purchased by ESV and tested by an independent National Association of Testing Authorities (NATA) accredited laboratory to ensure current stock offered for sale complies to the requirements of the standard and is "as approved".

In 2007/08 check testing was conducted on the following:

- + Rewirable plug tops subjected to the pin bending test to confirm compliance with the requirements of AS/NZS 3112.
- + Portable heaters tested for compliance with selected requirements of AS/NZS 60335-2-30 including flammability, normal and abnormal temperature tests.
- + Hair dryers and hair straighteners tested for compliance with selected requirements of AS/NZS 60335-2-23 including insulation resistance, creepage and clearance distances and supply cord flexibility.

Test results were made available to interstate certifying authorities and appropriate action taken.

ESV took action on three failures – a portable heater, a hair straightener and a hair dryer.

Each supplier was advised that the certificate of approval would not be renewed without proof that current production met the requirements of the standard and to provide an explanation as to how the non-compliant units came to be sold and what measure will be taken to ensure future production complies with the standard.

Activity	Result 2006/07	Result 2007/08
Equipment Safety		
Approvals submitted	1,799	1,783
Total number of approvals in place	7,225	7,712
Number of products audited (approval)	1,157	1,245
Notices to comply issued	89	95
Safety investigations	254	342
Safety recalls initiated	6	9
Hazard alerts raised	7	8
Incident reports raised	29	27
Public safety warnings initiated	1	0
No. of days taken to approve fully compliant approvals applications	20	24.9
Number of enquiries	19,062	22,340
Infringement notices	5	4

MAJOR RECALLS OF UNSAFE AND UNAPPROVED ELECTRICAL EQUIPMENT

Nationwide recall of popular pedestal fan
Investigations by ESV prompted a nationwide recall after a popular pedestal fan purchased at a chain store caught fire while energised and melted to the tiled floor. The fan was on sale at a number of stores between January 2005 and March 2008.

It was determined that the fans have an internal mechanical defect which under some circumstances could result in the cable between the control panel and motor housing being damaged and posing a risk of fire.

The recall notice urged people to stop using the fan and return it to the point of sale for a full refund.

The company told ESV the number of HPF50 fans sold or in stock throughout Australia exceeded 30,000. The vast majority – nearly 18,000 – were supplied to Victoria, mainly because one retail chain used its Victorian distribution centre to send the fans to its stores in other states.

A school using unsafe and non-compliant powerboards
Powerboards detected at a Geelong school were found to be unsafe and non-compliant with reverse active-neutral polarity. The fault in the Chinese manufactured King Power KP- 01 Powerboards was detected during a Testing & Tagging operation.

ESV ordered the importers to withdraw the product from sale and initiate a recall process in stores where the product had been sold. The importers told ESV that 500 of the faulty powerboards had been sold, mostly in Victoria.

The batch with the reverse polarity was also found to be non-compliant from the creepage and clearance distances perspective. In addition the nameplate label was not durable.

ESV expressed its concern to the importers on the lack of quality control, both overseas and in Australia. A fault such as transposed polarity could lead to someone receiving a fatal electric shock.

Hair straightener recall

A national recall alert was issued for hair straighteners imported into Australia from Korea. According to one major importer of the product, some 60,000 of the hair straighteners had been sold in Australia prior to the recall – about 30,000 of them in Victoria.

Three models of hair straightener were the subject of the national recall after it was discovered that the heating plates in the product may become “live” to 240 volts and cause electric shock.

Although the models were approved and approval numbers issued for them, the problem arose after the manufacturer changed the specification and did not inform the safety regulator involved – the Queensland Electrical Safety Office (ESO) – or the importer.

The recall notice was published in 28 newspapers across Australia.

Battery chargers for MP4 players withdrawn from sale
ESV investigated how a large quantity of battery chargers (AC Adaptors) for MP4 players which did not have insulated pins on the plugs or any evidence of approval on the nameplate were supplied to a large nationwide supermarket chain.

The importers of the product told ESV it had imported 2,950 units – they retained 550 of them and supplied 2,400 units to the chain.

The importers claimed their supplier had assured them that the particular product complied with all the necessary Australian requirements.

ESV also expressed its concern to the supermarket chain that the product, with obvious points of non-compliance and without evidence of electrical safety approval, had passed through its purchasing and marketing departments.

Unapproved power supplies and cord set components removed from sale

ESV served a \$2,202 infringement notice on a Melbourne based technology company which continued to supply unapproved prescribed electrical equipment after previously being warned not to do so.

The company told ESV the equipment had been imported from Asia and that all retailers of the products had been notified and unapproved electrical equipment withdrawn from sale.

ESV noted that it had sent the company a letter on 7 January 2008 warning of sales of another item of equipment.

ESV told the company of its concern that despite the previous warning, the company continued to supply unapproved prescribed electrical equipment.

SAFE AND EFFICIENT ELECTRICITY



ESV FINES TWO IMPORTERS FOR SUPPLYING UNAPPROVED CHRISTMAS LIGHTS

ESV issued Infringement Notices against two importers for supplying or offering to supply unapproved Christmas lights. The offences were detected during regular ESV compliance audits at the premises of the parties concerned.

ESV served a \$2,202 Infringement Notice against a company and a \$440 Notice against an individual – in accordance with Part 11A of the Electricity Safety Act.

ESV indicated to both parties that it was particularly concerned that the wiring on many of their Christmas Lighting products did not have adequate insulation thickness for safe operation at 240 Vac and could result in the user receiving an electric shock.

Both the company and the individual had previously been advised on two occasions by ESV in recent years not to supply unsafe and unapproved prescribed electrical equipment.

NEW SYSTEM RECOMMENDED TO ENSURE THE SAFETY OF ELECTRICAL EQUIPMENT

A new Electrical Equipment Safety System to address the selling of unsafe electrical equipment has been recommended by the Electrical Regulatory Authorities Council (ERAC).

The proposed changes to the equipment safety regime followed an extensive review by ERAC across Australia into the current practices which have not kept pace with the changing profile of the equipment industry or with the rapid expansion of technology.

The current system was designed to accommodate a marketplace where most electrical equipment was manufactured and/or supplied in Australia, compared to the situation today in which most appliances are imported, particularly from Asia. The emergence of internet retail sources had also challenged the effectiveness of the system.

The review recommended that under the proposed system, equipment will be classified in three levels based on risk assessment, (Level 1 – low risk, Level 2 – medium risk and Level 3 – high risk), with regular reviews of the need to reclassify equipment into a more appropriate risk level based on market experience.

The recommended system would require that prior to equipment being placed on the market:

- + All suppliers of (Level 1, 2 and 3) equipment to be registered on a national data base; and
- + All equipment classified as Level 3 (high risk) and Level 2 (medium risk) to be registered on a national data base.

Prior to submitting a Suppliers Declaration of Conformance to register equipment on the Registration Database, Responsible Suppliers need to hold or have access to specific Evidence of Conformance depending on the risk category of the equipment. ERAC has formed an Equipment Review Implementation Committee (ERIC) with membership including Victoria, South Australia, Western Australia, New Zealand and Queensland.

A section of a non-compliant ceiling fan.

The burned-out control panel of an oil filled column heater after it overheated.



EQUIPMENT EFFICIENCY

STATISTICAL REPRESENTATION OF ACTIVITIES 2007-2008

No. of days taken to approve fully compliant equipment efficiency applications	10.28
Models registered for labelling	1,254*
Total number of registrations in place	5,261**
Number of inquiries	699
Retail outlets visited	15
Cancellation of registrations for equipment efficiency matters (energy labelling or MEPS)	4

* Denotes individual registrations, some of which are grouped as families of models

** Stocks of non-complying products that were imported or manufactured in Australia prior to the effective date of legislation affecting them can be sold for an indefinite period, but the registrations are deemed to be 'grandfathered'.

ACTIVITIES

- + Commenced the making of the proposed Electricity Safety (Equipment Efficiency) Regulations 2008 including initial consultation with stakeholders and developing a Regulatory Impact Statement.
- + Provided representation on the Standards Australia EL15 Committees and working groups to amend the standards for refrigerators and freezers, air conditioners, clothes washers, clothes dryers and dishwashers and input into other committees dealing with standards for external power supplies, electric motors, etc.
- + Handed over the program management of the Equipment Energy Efficiency (E3) Committee's National Check Test Program to the Energy Efficiency and Conservation Authority, New Zealand.

SAFE AND EFFICIENT ELECTRICITY



LICENSING AND PROFESSIONAL DEVELOPMENT

LICENSING REGULATIONS

As part of the process of remaking electricity and gas safety regulations, ESV is proposing to remove licensing provisions from the Electricity Safety (Installations) Regulations and include them in a new set of regulations with the content restricted purely to licensing provisions.

ESV is also proposing a number of changes including:

- + Expanding the classes of electrical installation work, electrical contracting and electrical work to include work on installations (operating at any voltage) in hazardous and patient areas. The change is required to capture items operating at extra low voltage in these sensitive areas.
- + Introducing a new class of registered electrical contractor which will allow a person to carry out electrical contracting work which is limited to electrical fitting work.
- + Introducing a new class of licence for electrical fitters, enabling licence holders to carry out all electrical installation work except for the installation, alteration, repair, maintenance or removal of fixed electrical wiring.
- + Replacing the Disconnect/Reconnect worker's licence with two classes of restricted workers licence. Class 1 allows the licence holder to conduct disconnect/reconnect work, testing and fault finding, and Class 2 allows disconnect/reconnect work and testing only.
- + Requiring an applicant for an Electrical Inspector's Licence to have had 5 years experience in electrical installation work.
- + Abolishing the Occupier's licence for new applications. In addition, categories S, F and R electrical inspector's licences are to be abolished and will be covered by the G and V categories.

GENERAL LICENSING ISSUES

ESV's licensing activities continue to ensure that the skills of Victoria's electrical workers are maintained at the standards required under the Electricity Safety Act and Electricity Safety (Installations) Regulations.

One area still requiring close attention is the question of the Disconnect/Reconnect Licences. ESV continues to reject applications for such licences when applicants fail to demonstrate that their work or occupation qualifies them for a licence under the suitable primary work function category.

ESV also continues to remind Disconnect/Reconnect Licence holders of the need to comply in full with the Act and Regulations, including lodging certificates of electrical safety when required to do so.

ESV also continues to work closely with the EPIC Industry Training Board and more recently the Northern Metropolitan Institute of TAFE (NMIT) to improve the Licensed Electricians Assessment in Victoria.

Mutual recognition arrangements have seen a significant increase in Victorian licence holders also requiring NSW equivalent licences.

ONLINE SERVICES

During the year, ESV expanded and enhanced its range of online services enabling in particular registered electrical contractors, licensed electricians and licensed electrical inspectors to renew their registrations and licences electronically. This initiative is covered in more detail in the CORPORATE ACTIVITIES section of this Report.

As at 30 June 2008, 945 licensing and registration transactions had been completed online, with useage of the online facility increasing.

ESV'S NEW POLICY FOR ISSUING "L" LICENCES

During the year ESV introduced a new policy on the issuing of "L" Class – supervised workers – Licences, thanks to the support of industry including NECA and the ETU.

Under the policy, "L" Licences will only be issued to former apprentices who have an aptitude to become electricians and can demonstrate a commitment to completing their studies within the duration of the licence.

They will also need to have completed at least 15 modules of their training before they can be considered for such a licence.

Such licences will not be renewed unless there are special circumstances.

Under the policy, an applicant for an "L" Licence will need to supply details of how they will satisfactorily complete the outstanding competencies, and provide their timetable for doing so within the three-year duration of the licence. The timetable will need to be agreed between the applicants and their training providers before being submitted.

An overheated downlight too close to ceiling insulation.

Two images showing damage resulting from a star picket being hammered into a power cable.



LICENSING AND PROFESSIONAL DEVELOPMENT

Licensing statistics

Activity	Result 2007/ 2008	Result 2006/ 2007	Result 10/08/2005 30/06/2006	Result 01/07/2004 09/08/2005	Result 2003/ 2004
Worker Standards					
Electrician's Licence 'A Class' (new applications)	1,362	931	999	915	811
Electrician's Licence 'A Class' (renewals)	5,356	5,053	4,459	5,282	3,456
Supervised Worker's Licence 'L' (new applications)	314	274	221	312	383
Electrician (Supervised) Licence 'ES' (renewals)	527	80	75	109	396
Disconnect/Reconnect Worker's Licence 'D' (new applications)	561	432	452	480	627
Disconnect/Reconnect Worker's Licence 'D' (renewals)	1,780	1,553	906	910	1,124
Total number of licences issued	6,139	8,287	7,115	8,208	6,915
Total number of licences in place	36,543	35,937	35,228	34,875	34,128
Electrical Inspector's Licence in place	317	318	286	337	303
Total number of inspector's licences issued	276	276	302	346	341
Registration of electrical contractor (initial registration)	661	706	626	850	802
Registration of electrical contractor (renewal of registration)	8,702	8,504	7,289	8,208	7,783
Total number of registrations issued	9,363	9,210	7,915	9,058	8,585
Total number of registrations in place	9,134	9,021	8,848	8,712	8,330
No. of meetings of the Electrical Licensing Registration Advisory Committee	6	6	6	6	6
Total number of Electrician Licences	26,833	25,984	25,386	24,832	24,087
Total number of Supervised Worker's Licences	1,650	1,848	1,244	1,276	2,079
Total number of Disconnect/Reconnect Licences	7,711	7,754	7,865	7,973	7,843
Total number of Occupiers Licences	32	33	34	33	35
Total number of registered Spotters	5,393	2,712	2,075	-	-
Total number of registered Lineworkers	2,255	2,381	2,244	-	-

SAFE AND EFFICIENT SUPPLY OF ENERGY

THIS IS A NEW SECTION COMPARED TO PREVIOUS ESV ANNUAL REPORTS, WHICH COVERS THE SAFETY OF VICTORIA'S ELECTRICITY AND GAS TRANSMISSION ASSETS AND PIPELINES

ELECTRICITY SAFETY MANAGEMENT SCHEMES

The *Electricity Safety Amendment Act 2007* passed through State Parliament to amend the *Electricity Safety Act 1998* to:

- + Mandate submission of and, once approved, compliance with electricity safety management schemes by major electricity companies, namely electricity transmission and distribution owners or operators;
- + Harmonise the safety management scheme regime in the *Electricity Safety Act 1998* with the gas safety case regime in the *Gas Safety Act 1997*.

Under the Act, it is mandatory for Victoria's electricity transmission and distribution network operators to submit electricity safety management schemes (ESMS) to ESV every five years.

An ESMS specifies the assets or operations of the network operator, the hazards and risks to persons and property arising from those assets or operations, and the safety management system to be followed to minimise as far as practicable those hazards and risks.

The benefits of the ESMS regime include lower compliance costs compared to prescriptive regulations, and improved safety performance.

Through aligning the gas and electricity safety regimes, where appropriate, the Act reduces the regulatory burden for those entities operating in both the electricity and gas industries.

The Act enables ESV to conduct audits to determine compliance with an ESMS.

LONG TERM ASSET PLANNING REQUIRED UNDER NEW REGULATIONS

Detailed management plans for the long term safety of assets will be an explicit requirement of the Electricity Safety (Management) Regulations and the Gas Safety (Safety Case) Regulations, which are currently in the process of being remade for introduction next year.

Director of Energy Safety, Ken Gardner, provided information on the changes to the electricity and gas industries at an asset management forum organised by ESV and attended by industry representatives and other interested parties in May 2008.

The forum was told the revised regulations will require owners and operators of critical infrastructure to meet community expectations by ensuring that their assets operate safely both now and for many years into the future.

Under the changes, the plans will need to indicate how assets will be maintained and replaced. ESV also requires a commitment from owners that the maintenance and replacement programs will happen within an agreed framework.

The comprehensive asset management plans required under the regulations will need to show how the maintenance/replacement balance will be set and maintained. Decision processes ensuring the long term safety of assets will also need to be explained in the plans.

The list of components which companies will need to incorporate in asset management plans will, for instance, include:

- + A commitment by chief executives and senior management to sustainable asset management;

- + Comprehensive knowledge by the companies of all assets under their control;

- + The development of clearly defined measurable performance targets (service levels) that reflect the needs of all key stakeholders;

- + An ability to apply predictive modelling tools at various levels of the network, to pick up on, and correct for future capacity constraints, safety, reliability and performance risks.

The plans will also include:

- + Long term planning horizons (> 20 years) for the management of all stages of the asset lifecycle, from creation to disposal;

- + Decision making processes that include consideration of the following:
 - risks (physical asset, financial, environmental, reputation)
 - current and future demand
 - interrelationships of component assets
 - implications of actual and deferred expenditure on future asset performance and service standards
 - sensitivity of predictions to changes in assumptions
 - Performance monitoring that informs continuous improvement actions.

ESV will work with asset owners to agree on the scope and outcomes of the asset management plans, discuss the models that are acceptable and ensure there is a better understanding by all parties of what the plans should contain and the deliverables to be achieved.

It is ESV's view that asset management plans of a higher sophistication are required by all parties for two main reasons: firstly, the need to describe how safety, service and cost will be properly balanced, to take advantage of performance based requirements; and secondly, the need of all parties to demonstrate sufficient responsibility to the community.



ESV "CONTACTS" PROJECT

Increasing concern at the frequency and severity of incidents involving contact between vehicles and equipment on one hand and powerlines and gas pipelines on the other prompted ESV to initiate its "Contacts" Project to identify and develop a possible long term solution to the problem.

Three main categories of hazard are being addressed in the project – overhead electric powerlines, underground electricity cables and underground gas pipelines. Direct contact with overhead powerlines results in electrocution or severe injury.

The project is a two part process involving a report stage and an implementation stage. ESV appointed Career Focus to prepare the first stage with the report to be delivered by the end of August 2008.

While there are both engineering and procedural controls in place to mitigate the hazards, incident records reveal they are insufficient in scope and depth to eliminate the frequent contact with essential assets.

The initial or report stage of the project is designed to:

- + Assist with the analysis of the issues/ behaviours underlying the failure of existing preventative procedural controls including lack of care, failure or knowledge, failure of attention and deliberate violation of safety rules.
- + Provide expert advice on strategies for modifying safety related behaviour.
- + Generate recommendations to be included in the report of the required structure, content and target audience of ESV safety campaigns.
- + Assist with identifying "success metrics" which might be available to monitor whether or not the safety campaigns are having the desired effect.

Once the report has been received, ESV will determine what needs to be implemented. This may involve:

- + Influencing asset owners to assist in the monitoring of ongoing industry performance including improved reporting of contact incidents, and in particular "near misses".
- + Influencing asset owners to similarly review and improve their own hazard control regime and to ultimately implement justifiable and effective improvements.
- + Preparing and launching new and improved ESV safety campaigns to modify the behaviour of people working in the vicinity of powerlines, cables and pipelines.

Safety campaigns could include educational material, industry based training schemes and brochures, radio advertising and television commercials.

Part of the unique gas fired soil remediation plant located in Princes Highway, Springvale. It is cleaning the soil ahead of the construction of what will be reportedly the largest retail complex in the Southern Hemisphere.

SAFE AND EFFICIENT SUPPLY OF ENERGY

A railway structure from where a boy received an electric shock and fell more than 10 metres to the ground.



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 2007/08 the VEC completed its coordinated monitoring program of the underground metallic structures (i.e. water, gas and oil pipes, and, telecommunications and power cables) across the Melbourne metropolitan area to ensure the aims and functions of the VEC were met.

The introduction of regenerative breaking systems and problems associated with the systems on the Siemens manufactured suburban trains has altered the VEC testing program, resulting in retesting being required in some areas and subsequent extended times between tests in other areas.

The Committee, on behalf of its members, has placed into service a Cathodic Protection system in Grassmere Lane in Langwarrin to mitigate against the effects of stray currents including traction currents on the gas, oil and water pipelines that cross at this location.

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

The term of the VEC members expired in May 2008. The Minister for Energy and Resources appointed the new committee to continue the role of the VEC from nominations submitted to him from the various industry groups in accordance with the *Electricity Safety Act*.

BUSHFIRE MITIGATION

The *Electricity Safety (Bushfire Mitigation) Regulations 2003* prescribe requirements for the preparation of bushfire mitigation plans and the inspection of private overhead electric lines by electricity suppliers to ensure the integrity of the overhead electrical system throughout the state so as to minimise the danger of those electric lines causing fires and posing an electrical hazard.

Electricity safety legislation requires electricity suppliers to annually submit management plans to ESV for approval. Submissions were reviewed in depth during the reporting period to ensure that they captured the requirements contained in the current regulation. Thanks to extensive feedback provided by ESV on plans, the submission of a superior standard of plan was noted again during 2007/08.

Audits conducted by ESV in the reporting period on the relevant electricity suppliers for their bushfire preparedness for the summer period confirmed that the majority of them were carrying out their stated plans to mitigate the risk of fires starting from their aerial electrical assets in hazardous bushfire risk areas.

ELECTRIC LINE CLEARANCE

In addition to the *Bushfire Mitigation regulations*, the *Electricity Safety (Electric Line Clearance) Regulations 2005* prescribe requirements for persons responsible for maintaining the vegetation clearance space around electric lines to minimise the danger of those electric lines causing fires.

The Regulations require vegetation managers to annually submit management plans to ESV for approval. Submissions were reviewed in depth during the reporting period to ensure that they captured the requirements contained in the current regulation that includes the Code of Practice.

As was the case with bushfire mitigation management plans, ESV also noted improvements in the electric line clearance plans submitted in 2007/08.

Audits conducted by ESV in the reporting period confirmed that there has been a steady improvement by the electricity suppliers in regard to the maintenance of the required clearance space between vegetation and high voltage electric lines in hazardous bushfire risk areas.

Nevertheless, the maintenance of the required clearances in the low bushfire risk areas has remained below standard. This is a matter of both network reliability and electrical safety, as distinct from the potential for fire initiation.

The question of clearances in low bushfire risk areas has been an ongoing issue for many years but ESV is continuing to implement its program to raise the profile of vegetation issues within the low voltage aerial network with the electricity distribution companies, municipal councils, and the other organisations responsible for line clearance.

The significant storm event across the State on 2 April 2008 resulted in widespread damage and electricity power outages. Investigations conducted into this event concluded that the damage to electrical infrastructure was largely due to trees being dislodged rather than the non maintenance of the required clearance space between vegetation and electric lines.

Electric Line Clearance Consultative Committee (ELCCC)

In order to provide independent and wide-ranging advice to ESV or the Minister for Energy and Resources on matters relating to the clearance of electric lines, legislation provides for an Electric Line Clearance Consultative Committee (ELCCC) to be established.

Considerable work has been undertaken by this committee during the reporting period in the preparation of advice regarding the remaking of the Electricity Safety (Electric Line Clearance) Regulations in 2010 which includes the Code of Practice for Electric Line Clearance.

ESV WARNING LETTERS OVER PRIVATE OVERHEAD ELECTRIC LINES

During the year, ESV wrote to more than 100 owners of private overhead electric lines (POELs) across Victoria warning them that the lines would be disconnected unless outstanding repair works were completed. In some cases as many as three letters were sent to particular owners in relation to their defective and unsafe POELs.

Owners were warned:

Section 43(2) of the *Electricity Safety Act 1998* states:

"The occupier of any premises in which there is any unsafe electrical equipment must –

cause the electrical equipment to be removed from the premises or to be made safe; or

in the case of electrical equipment forming part of an electrical installation, notify the owner or the premises of the unsafe electrical installation.

Penalty: 40 penalty units."

and Section 43(3) of the *Electricity Safety Act 1998* states:

"The owner of any premises who is notified under sub-section (2) must cause the electrical installation to be removed from the premises or to be made safe.

Penalty: In the case of a natural person, 40 penalty units

In the case of a body corporate, 200 penalty units."

Note: 1 penalty unit = \$114.00

The warning letters from the Director of Energy Safety, Ken Gardner, stated: "The work required to be undertaken to remedy the defects and make the POEL comply with safety standards has been notified to you previously by your distribution company and ESV.

"As the timeframe for completion of this work is well outside the time allocated for action to be taken by yourself or your registered electrical contractor (the responsible person), I must ensure that your POEL does not impose an unnecessary risk to other customers or the community.

"I will therefore be using my powers under Section 141(1) of the Electricity Safety Act 1998 to direct the distribution company to disconnect the POEL supplying your premises from electricity supply in the very near future," it said.

Owners were to notify ESV representatives of what they proposed to do to ensure their POEL meets the required standards.

The letter also warns: "If action is taken to disconnect the POEL from electricity supply, the POEL will be reconnected by the distribution company once your registered electrical contractor has completed the necessary work and a certificate of electrical safety has been issued.

"It is essential that ALL powerlines throughout Victoria be maintained to the highest standards to prevent them causing danger to your property, other customers and the community."

SAFETY CASES

ESV continues 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.

This is achieved by using a co-regulatory approach where ESV shares part of the risk for the gas company's safety case by ensuring that all risk associated with the gas business are identified and incorporated with the safety management systems of that business.

Also the audits are a continued improvement process with the gas companies to increase the safety of the gas users and the public.

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 and reliably to the Victorian community.

During the reporting period there were 36 accepted safety cases overseen by ESV.

One gas safety case was accepted during the year for natural gas retailer Dodo Power and Gas.

ESV continues 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 and completed the following 41 safety case audits in 2007/08:

- + 11 Transmission pipeline company audits (Including VENCORP).
- + 6 distribution pipeline company audits
- + 9 Natural gas retail company audits
- + 13 LP Gas company audits
- + 2 landfill gas pipeline company audits.

Two LP Gas entities, Direct Gas and Vic LPG were declared as "gas companies" during the year with a further organisation being in the process of becoming a declared "gas company". There are also signs in the market that additional companies are in the process of obtaining natural gas retail company licences. This will further increase the work load on ESV.

PIPELINES

This is the first ESV Annual Report to report on a full 12 months of activities relating to pipeline safety. Responsibility for all Victoria's 268 pipelines, licensed under the *Pipelines Act 2005*, was transferred to ESV with effect from 1 April 2007.

Pipeline safety comes under the aegis of ESV's Infrastructure Safety section and is managed by an engineer and a field safety officer.

ESV has signed separate MOUs with Department of Primary Industries and EPA relating to pipeline safety.

All pipelines except Sales Gas Pipelines – which have accepted Safety Cases under the Gas Safety Act – are required to submit Safety Management Plans (SMPs) to ESV for acceptance.

Pipeline Licensees have submitted SMPs to ESV for assessment and acceptance and these are being processed.

All licensed pipelines including Sales Gas pipelines are required to submit Environment Management Plans (EMPs) to ESV for acceptance. These plans are also being assessed, with the assistance of EPA.

ESV has engaged engineering consultants, GHD, to conduct an integrity review of selected licensed pipelines and to submit a report.



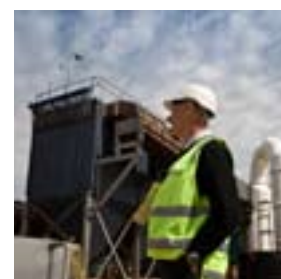
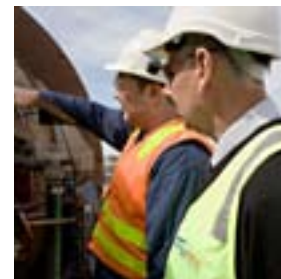
PETER RYAN
ESV'S EXPERT WHEN IT COMES
TO COMMISSIONING INDUSTRIAL
GAS APPLIANCES



PETER RYAN STARTED HIS CAREER AS A PLUMBING/GASFITTING APPRENTICE SOME 48 YEARS AGO AND NATURALLY BRINGS A WEALTH OF EXPERIENCE TO HIS ROLE AS A GAS INSPECTOR FOR ESV.



PETER RYAN



Peter Ryan, ESV Gas Inspector who specialises in the inspection of large industrial appliances, at work. Main picture: Peter with licensed Type B gas appliance contractor, Laurie Griggs.

For the last 19 years Peter has specialised in the inspection and approving for commission – or denying, depending on what the case might be – of the gas fired industrial appliances existing across Victoria.

Peter's first job at just 15 was with the former Gas & Fuel Corporation at its Brighton depot. After working for two years as an apprentice plumber/gasfitter, he left to gain more experience with a private plumbing operation.

After a brief spell with the former Melbourne Board of Works, Peter then spent some 20 years working for different contracting companies and as a self employed plumber – spending some five years with each of them before moving on to the next.

In 1986, Peter rejoined Gas & Fuel, this time as a gasfitter at the Tooronga depot – and because of his experience supervising labour was promoted to a supervisor position after 18 months.

When an internal position came up for a Type B Gas Inspector in 1990, Peter successfully applied for the position and graduated to the specialist position inspecting industrial work – a role which has preoccupied his career ever since.

SO WHAT'S INVOLVED IN A TYPICAL DAY FOR AN ESV GAS INSPECTOR SUCH AS PETER RYAN?

As for many ESV field staff involved in inspection work, the day begins with the all important paperwork. This could include closing off jobs from the previous day or documenting non compliant work from the jobs inspected.

Then there will be a range of submissions requesting commissioning of new industrial installations which will demand his attention. These have to be prioritised. Inevitably it also means contacting the contractors making the new submissions and discussing whether additional information is required before applications can be processed.

After every box has been ticked, the commissioning of a new industrial gas plant can proceed. If there are problems, the applications have to be denied until everything is right.

It is later in the morning before Peter can visit sites to check progress or approve, or reject, work. Site inspections can include a review of a particular submission as it relates to the appliance, followed by detailed inspections of the safety devices needed if an appliance or process is acceptable to ESV.

Peter also provides explanations for developers on how the finer points of Australian Standard 3814 – Industrial and Commercial Gas Fired Appliances – might apply to the particular appliance or installation.

On this particular day, Peter visits a large eight hectare site on Princes Highway, Springvale, to approve for acceptance a unique gas fired soil remediation process to remove all pollutants from the ground in readiness for the construction of a large retail complex – reportedly the largest in the Southern Hemisphere.

It is the first time the process has been used in Victoria and the first time that natural gas has been used to power it. The direct heated, fast quenched, thermal desorption process operated by Newcastle based Innova Soil Technology deals with all contaminants, including PCBs, in one place.

Peter has paid a number of visits to the site to check and discuss progress establishing the process which will take 10 weeks to clean up the site.

As Ben Willis, Process Engineer with Innova Soil Technology, said: "The experience of someone like Peter is invaluable to such a project as ours. He understands how our process differs from others, and he knows and can advise on how the rules and regulations on safety can be applied to the process.

"He's always ready to answer our questions and it is good to get his confirmation that our process meets the appropriate regulations here in Victoria."

IT WAS ANOTHER BUSY AND SUCCESSFUL YEAR AS FAR AS ESV'S COMMITMENTS TO ITS GAS SAFETY ROLES AND RESPONSIBILITIES WERE CONCERNED.

SERIOUS INCIDENTS

There were no deaths involving gas within the year.

Incidents involving domestic barbecues remain at a high level and represent an ongoing concern for ESV. During the year 29 incidents involving barbecues were directly attributable to the connection and disconnection of LP Gas cylinders or at the appliance. These incidents resulted in five personal injuries (burns) and accounted for over 60% of all injuries sustained from gas use.

As reported in the Public Awareness and Communications section of this Report, ESV produced a new television commercial in 2007/08 aimed specifically at raising awareness of the need for care when using outdoor gas appliances, in particular, barbecues, gas lights and heaters.

The commercial highlights the importance of making sure that appliances and gas cylinders are safe and in good condition and that connections between the LPG cylinder and appliances are sealed and tight. The commercial featured in most of ESV's public awareness campaigns during the year.

SAFETY NOTICE ISSUED AFTER GAS CYLINDER VALVE INCIDENT

ESV issued two Safety Notices relating to valves on Huanri Liquefied Petroleum Gas cylinders.

The warnings followed a serious incident in which a valve bonnet and valve assembly became separated from the valve body on a 9 kg cylinder.

A man received serious burns after the separation resulted in an uncontrolled gas escape at cylinder pressure.

The valve involved was a Shandong Huanri model YSF-RA-1.

The section of the valve that came apart comprised the valve stem assembly and retaining nut, which secures the valve stem assembly to the valve body. The retaining nut has a left hand thread and because the valve stem assembly has a right hand thread, opening the valve has a tightening effect on the retaining nut if it is in contact with the valve stem assembly. Vice versa, closing the valve has a loosening effect on the retaining nut.

ESV recommended that people involved in filling gas cylinders should check the tightness of the retaining nut before filling or refilling the cylinder. It should be noted that the retaining nut is not subject to gas pressure and therefore a leak test is inappropriate.

In the safety notices, ESV urged that cylinders with the same valve fault should be removed from service. It also asked to be notified when such valves are found.



ESV PRODUCED A NEW TELEVISION COMMERCIAL IN 2007/08 AIMED SPECIFICALLY AT RAISING AWARENESS OF THE NEED FOR CARE WHEN USING OUTDOOR GAS APPLIANCES, IN PARTICULAR, BARBECUES, GAS LIGHTS AND HEATERS.

SAFE AND EFFICIENT GAS

Example of Type B gas appliances.



MAN INJURED WHEN NEW BBQ ERUPTS INTO FLAMES

ESV investigated an incident in which a 70-year-old man received serious injuries when his brand new BBQ erupted into flames. The victim was taken to hospital suffering burns to his right leg, arms and face. He also experienced breathing difficulties after his airways were damaged.

The flames extended up to the roof of an external patio area, while the heat affected hanging plants adjacent to the BBQ.

When interviewed by ESV, the victim said he bought the new BBQ from a store and paid an additional \$70 for it to be assembled by a specialist company.

The BBQ was assembled and the victim was provided with a brief demonstration on how to operate it.

Later in the day he decided to use the appliance, followed the instructions he had been given and activated the igniter. The BBQ then erupted into flames.

The CFA attended to put out the fire and the victim was taken to hospital.

During its inspections of the BBQ, ESV found that the POL screwed connection into the cylinder valve was loose. This threaded brass POL connection could be hand tightened into the cylinder valve socket an additional one and one half revolutions.

ESV's investigations included interviews with representatives of the assembly company and its contractor who assembled the BBQ in question.

89-YEAR-OLD RECEIVES BURNS IN GAS COOKER INCIDENT

ESV investigated an incident in which an 89-year-old woman received burns injuries from her cooker on the same day that her time expired gas meter was changed over. The victim was taken to hospital after her hair caught fire and she received burns to her face, left hand and wrist.

She had lived at the property for some 60 years while the upright cooker in question – the only gas appliance in the house – was installed some 45 years previously.

In a statement provided to ESV, the victim said she had been informed by the gas company that the meter was about to be changed over. Early in February she found a notice in her mail box explaining that the work had been carried out.

She said she rang the telephone number printed on the notice and an operator at the gas company explained the process for turning on the valve at the gas meter. After doing so, the victim went back into the house and turned on a gas burner and ignited the flame with a match.

As the burner flame was burning correctly she immediately turned off the gas control knob.

A short while later she placed a lunch pack supplied by the Meals on Wheels service into the oven, and then turned the thermostat to around mark 350. She ignited the oven burner with a match. Later she turned off the thermostat knob and opened the oven door.

It was then that a flame rolled out setting fire to her hair and causing the burns injuries. The victim told ESV she closed the oven door and immediately placed a pack of frozen peas on her face.

She was taken to hospital by ambulance and returned home after treatment.

FIRES STILL CAUSED BY UNMODIFIED VULCAN QUASAR WALL FURNACES

Between 1984 and 1996, more than 250 000 Vulcan Quasar Gas wall furnaces were sold, the majority being installed in Victoria.

Following a number of serious property fires, Southcorp Appliances initiated a safety alert in 1996 requiring various field modifications.

Although thousands of the units were located and modified, some missed the recall and fires are still occurring. Since 1996, ESV is aware of an average of two house fires per year with the premises in question invariably suffering severe fire damage.

ESV reminded service providers that there are still many Quasars installed and when opportunities arise a check should always be made to ensure the remedial work has been carried out.

Information was also provided on how to identify the heaters in question and whether the required modifications had been carried out. When modifications were completed following the issuing of the safety notice, labels were affixed near gas controls to indicate that the work had been carried out. An easy means of model identification is to look for the vertically separated louvres at the warm air outlet.

The gas trades was advised that if a suspect Quasar wall furnace is found installed on a combustible wall with plasterboard and timber studs, it should be made safe.



SAFETY OF GAS APPLIANCES

CERTIFICATION OF GAS APPLIANCES

An application for the acceptance of an appliance approval scheme was received from IAPMO R&T Oceana and subsequently ESV accepted the scheme. IAPMO R&T Oceana now join SAI Global and AGA as approved schemes in Victoria.

A national scheme for appliance approval remains under consideration by the Gas Technical Regulators Committee. ESV supports a national approach and has anticipated a future nationally recognised label by making provision for this in revised Gas Safety Regulations.

SALE OF GAS APPLIANCES

The monitoring of appliances offered for sale, to ensure they are approved and tested to meet Australian Standards, has continued within traditional retail outlets for gas appliances and white goods. Fourteen point of sale audits were conducted in both new and second hand outlets. Three non-compliant audits were recorded within second hand appliance outlets. The status of second hand domestic and commercial catering appliances causes ESV concern and will feature in ongoing compliance programs.

As reported in the 2006/07 Annual Report, ESV has been working closely with eBay in relation to the sale of unsafe and unapproved appliances and the potential misrepresentation of appliances offered for sale by individuals and businesses via the auction site.

ESV is currently taking compliance action in relation to unapproved and unsafe domestic gas cookers and unapproved water heaters offered for sale via eBay. Gas Inspectors regularly monitor these new web-based sales channels and liaise closely with State and Territory safety regulators over emerging issues of concern.

ESV probes sales of appliances through eBay. ESV has investigated the sale of a number of gas cookers through eBay that were not certified. In a number of cases what appeared to be a bargain at around \$1,000 for a new, smart looking, modern cooker has turned out to be a nightmare for some purchasers.

The problem was identified when observant installers recognised the lack of Australian approval labels. They refused to fit the cookers and reported it to ESV.

In addition, ESV followed up instances of uncertified water heaters also being offered for sale on eBay as suitable for use in caravans. ESV believes these products are unsafe. Sellers had been warned to cease trading but the equipment in question tended to be back on the market after just a few months of inactivity.

ESV has advised that people in the market for gas or electrical appliances must check that the appliances have full Australian approval before considering purchasing them. They should also make their friends and relatives aware of the dangers of purchasing unapproved products.

They should also ensure the seller is properly identified as a company with contact details which amount to more than an eBay account name working out of a PO Box.

Plumbers and gasfitters have also been asked to refuse to install such equipment if engaged to do so and inform ESV immediately of them. In any event safety regulations require gasfitters to only install accepted (badged) gas appliances.

LANDLORD RECEIVES BIG FINE FOR UNLICENSED GAS INSTALLATION.

A landlord who installed a second hand cooker in a rental property was fined \$3500 by a magistrate and ordered to pay a further \$1585 in costs for carrying out plumbing / gasfitting work while not registered or licensed to do so.

The tenant of the property told ESV that a cooker had tilted forward causing a pan of hot water to fall and scald a young child.

In its investigations, ESV found that the upright cooker was not stabilised as required by Australian Standard Gas Installations AS 5601

URGENT RECALL FOR POOL AND SPA HEATERS

ESV was involved in an urgent nationwide recall by Raypak Australia Pty Ltd for pool and spa heaters installed after 1 July 2005. There are about 5,000 of the heaters in question in Australia, 3,000 of them in Victoria.

The recall notice said heaters with a built in control panel are likely to be affected. Water inadvertently entering the unit could lead to a partial malfunction of the over-temperature thermostat control resulting in a risk of scalding.

Raypak offered to provide on site service modifications to eliminate the potential for the malfunction. Owners of spas, fully enclosed indoor pools, plunge pools or small lap pools with the units were urged to disable them until repairs could be carried out. For other pools, owners were advised to turn off the units and ensure the water temperature is checked before anyone gets into the water.

SAFE AND EFFICIENT GAS

A mobile gas BBQ inspected by ESV at Mildura.



INSPECTION OF BBQS OPERATED BY COMMUNITY ORGANISATIONS

ESV was asked by the Mildura Rural City Council to conduct safety checks on mobile BBQ catering equipment operated by local community organisations. Some 40 units were inspected.

The inspection process found a number of good units mainly consisting of approved gas BBQs located within trailers, with gas cylinders secured properly and separately from the units, and with sufficient ventilation ensuring safe operation.

Examples of bad or unsafe units included trailers featuring non-approved BBQs – some of them home made – with insufficient burner ventilation, wrongly placed cylinders, inappropriate gas controls, and poor signage on the “on” and “off” buttons.

The main areas of non-compliance with safety regulations detected during the inspections were:

- + Poorly located cylinder locations in relation to ignition sources;
- + Cylinders not secured;
- + Regulators needing to be integral with a full capacity relief vent;
- + Regulator needing to be mounted above the cylinder liquid level and affixed to the trailer;
- + The mixing of flexible hoses and copper as a fitting line in contravention of the Australian Standard;
- + Appliances located adjacent to cylinders’ locations.
- + Gas control positions that could be mistaken for being “off” when they are “on”; and,
- + A lack of clear signage to denote the gas control position.

ESV warned that community groups using sub-standard or unsafe BBQ equipment at public events expose both their own volunteer workers and the general public to injury – with ultimately a possible recourse to legal action by injured parties against the society or group involved.

ESV advised groups with units deemed to be compliant that they will need to undergo a process to re-assess them as “mobile catering vehicles”. The process requires the unit to be inspected by a licensed plumber to ensure everything is in order and that it operates safely.

The licensed plumber is then required to lodge a Gas Compliance Notice to ESV which will assess the installation under a more stringent inspection regime, and if deemed acceptable will provide a compliance badge and a covering letter stating that the “mobile catering vehicle” is acceptable for use at public events.

GAS SAFETY AT MAJOR PUBLIC AND REGIONAL EVENTS

Apart from specific initiatives, such as the mass inspection of community group gas appliances at Mildura, ESV planned and delivered a full annual audit programme covering both major metro and regional public events.

Eighty events were audited ranging from the Melbourne Grand Prix and Spring Racing Carnival to smaller community based regional shows. In recent years the management and organisation of community events has been significantly improved with the assistance of ESV and WorkSafe inspectors, where energy safety assurance has moved forward from random inspection to planned audits and a high degree of liaison with event organisers.

INDUSTRIAL AND COMMERCIAL APPLIANCE INSTALLATIONS

COMPLEX GAS INSTALLATIONS AND APPLIANCES INSPECTIONS

ESV continued to provide safety outcomes through the monitoring and assessment for acceptance and safety of a total of 1,133 new and modified complex Type B appliances during the year. The diverse nature of Type B appliances has covered gas fired generation systems, fluidized minerals processing plant, large combustion systems as well as large utility boilers for the processing industry. The acceptance has also seen the introduction of new high efficiency technology that incorporates heat recovery and power generations on a small scale deploying micro gas turbines.

The percentage of non-compliant appliances revealed through audit and inspection numbered 167, slightly less than the previous year. All non-compliant installations irrespective of the severity of the fault were caused to be rectified before final acceptance.

ESV has continued to support the Tier Two Type A appliance Australian Gas Association’s (AGA) certification scheme designed for those new appliances that are produced in very low numbers. AGA is currently transitioning to commercial inspection services for its Tier Two scheme. However, ESV will continue to assist AGA until the new arrangements are fully in place.

ESV inspected and subsequently accepted 140 Tier Two appliances for AGA, markedly down on previous years but a reflection of demand from the hospitality industry where the majority of these appliances are installed. Of note these included the new and much heralded Nobu and Neil Perry’s Rockpool restaurants at the Crown Casino complex.

Liquid LPG being drawn off from an auto gas cylinder – an example of illegal activities detected by ESV at events and shows.



MAJOR INDUSTRIAL APPLIANCES

Information of note includes the completion of the Iluka Resources mineral sands processing plant at Hamilton which comprises some eight fluid bed dryers, the 300 metre long brick kiln at the Boral plant in Craigieburn and several integrated 100 GJ/h asphalt and aggregate processing plants.

The increasing cost of fuel in the processing of volatile organic pollutants from printing and other manufacturing works has seen the introduction of more complex integrated high efficiency Regenerative Thermal Oxidizers (RTOs). Such RTO facilities were inspected at Toyota's manufacturing plant at Altona, the Federal Mint note printing works and Arperio Group Finewrap. Large highly integrated steam generation boilers were audited at Norske Skog and Quenos.

GAS UTILISATION IN MAJOR HAZARD FACILITIES

Gas Installation and Appliance Safety engineers and inspectors continued to provide assistance and expertise to WorkCover on an as needs basis as most of the major hazards sites are operating under mature safety cases. The Woodside Otway production plant was finalised during the year, and the assessment of incineration equipment at the Terminals site in Geelong was also undertaken.

COMPLEX GAS INSTALLATIONS

Some 3323 Complex Gas Installations were submitted for assessment during the year as part of the ongoing process of monitoring and assessment for safety and integrity through the Gas Fitting Notice process. Of those inspected or audited, some 470 were found to be non-compliant, all of which – irrespective of the severity of the non-conformance – were rectified before ESV acceptance.

The Docklands residential development as well as other major infrastructure projects within the CBD, the proliferation and expansion of major shopping centres such as Westfield Doncaster, Chadstone Shopping Centre and the Plenty Valley Mill Park complex to name but a few resulted in the acceptance of many new complex gas installations

NEW "GAS SAFETY RISK" APPROACH TO THE ACCEPTANCE OF GAS INSTALLATIONS AND APPLIANCES

As part of improved business processes and in support of the new Gas Safety (Gas Installations) Regulations, ESV has commenced the implementation of a risk-based approach to the acceptance of complex gas installations and appliances.

The changes aim to ensure that ESV applies its resources where they are most needed, and raises the competency of gasfitters with more support being provided by the organisation for apprentices and their trainers.

The major changes in the regulatory regime have been outlined to the gas trades.

Under the changes, ESV will:

- + Change its regulatory approach and become fully focused on inspection, audit and compliance processes based on the gas safety risk.
- + Invest its effort in raising the general competency of practitioners in their premises and in the field.
- + Invest its effort in supporting apprentices and trainers in colleges of TAFE and in the field.
- + Monitor the safety performance of practitioners.
- + Will be less visible to competent persons.
- + Be highly visible to those with poor safety outcomes.

A change of approach is required after audits revealed a low compliance with Gas Safety Regulations.

ESV's new approach will involve the following areas:

Education: Greater input, primarily into TAFE and Registered Training Organisation programs

Competence: New framework for Complex Gas Installations and Appliances and changes to regulations

Inspection: Less reliance on inspection as the single regulatory tool

Audit: Increased emphasis on auditing outcomes.

A major benefit from the change will be greater efficiency with businesses and gasfitters able to deliver customer services without an ESV inspection for the majority of low risk gas installations.

ESV will apply its resources proportionately to regulate and improve gas safety and focus its effort where it is needed.

The change will reinforce and clarify for plumbers and gasfitters that gas safety risks are owned by the person(s) who create the risk.



STANDARDS DEVELOPMENT

NATIONAL STANDARDS

Through its Gas Technical Regulators Committee nominees, ESV has assisted the development of existing and new standards for gas appliances and installations. The year was very busy for standards development where most key gas standards have been reviewed and improved in preparation for republishing.

Considerable input has been made to the updating of AS 5601 Gas Installations, due to be re-published in 2008. Norm Jackson, Manager Technical Liaison, has been commended by Standards Australia for his work on this standard.

Frank Larobina, Manager Complex Appliance Safety and chair of Australian Standards Committee AG-11, has been instrumental in the revision of AS 3814 and AS 1375. These standards cover large gas fired Type B appliances. Both these standards will be re-published in 2008.

ESV is also represented on Australian Standards Committee AG-01 responsible for some sixteen Type A gas appliance standards. A new standard for the essential safety requirements of gas appliances was developed and this should be published in 2008.

GUIDANCE AND INTERPRETATION OF STANDARDS

Gasfitters, industry and gas users seek guidance on technical and safety issues and the interpretation of standards. ESV operates a technical helpline during business hours to assist stakeholders. During the year Inspectors handled six thousand technical enquiries, generally from gasfitters seeking guidance on gas installation practice and AS 5601 Gas Installations. Frequently asked questions are answered by Information Sheets made available on the ESV website. These sheets can be downloaded to provide a convenient resource for practitioners.

EDUCATION AND UPDATING OF PRACTITIONERS AND INDUSTRY

An essential part of improving the technical competency of gasfitting is to influence those in training. An increased emphasis has been placed on making gas inspectors available to trainees and teachers within TAFE colleges. Twenty six contact days with TAFE were delivered within the classroom and with teachers.

Additionally ESV delivered a presentation programme to gasfitters with the assistance of the Master Plumbers and Mechanical Services Association of Australia, building consultants and practitioners, local councils and gas businesses including natural gas distribution and LPG supply organisations.

RETIREMENTS

ESV farewelled more than 100 years of gas industry experience with the retirements during the year of Manager Gas Installation Safety, Allen Peacock, and Manager Gas Technical Liaison, Norm Jackson.

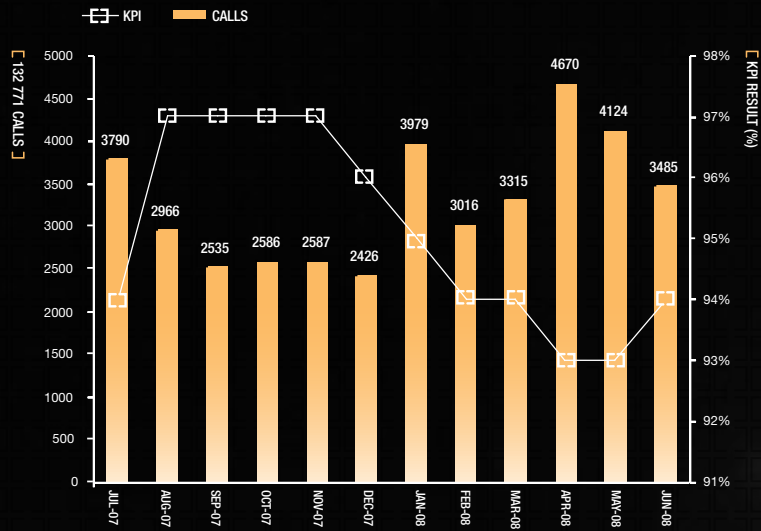
CUSTOMER EMERGENCY

The single point of customer contact established in 2003/04 for all gas users and the general public, to report escapes or other gas emergencies, has continued to be operated by the National Response Centre of Origin Energy at the high levels of safety performance required by ESV. The 132 771 number has been introduced to all Victorian telephone directories as the first point of contact for gas emergencies.

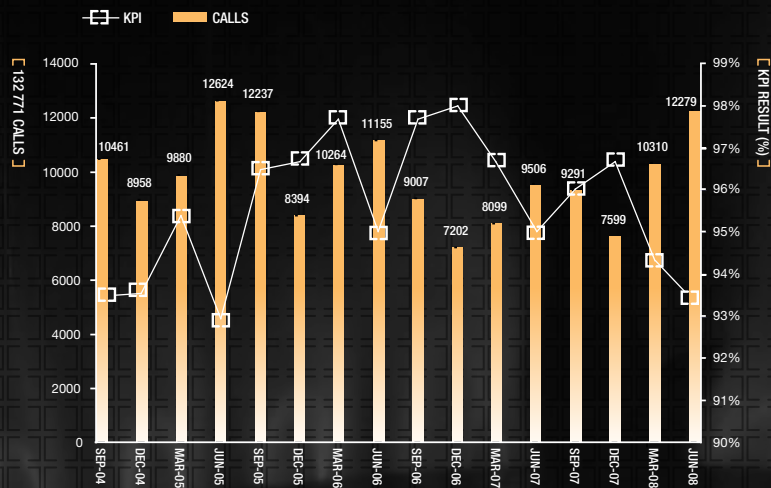
With the introduction in 2006 of a new scheme for gasfitters to report unsafe, "Immediately Dangerous" and "At Risk" situations the Gas Emergency Telephone Service and the 132 771 number evolved into a "one stop shop" for the reporting and response to customer emergencies.

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

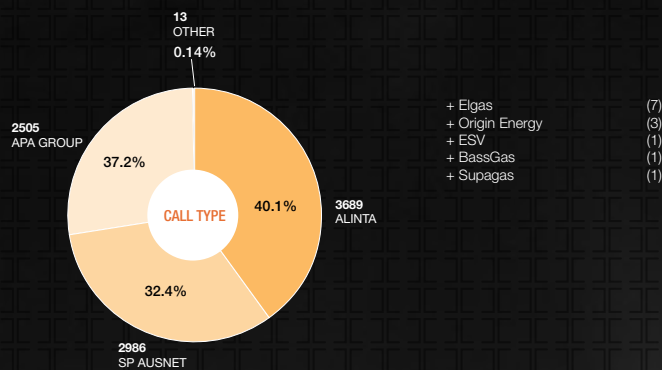
TOTAL CALLS TO CALL CENTRE 2007/08



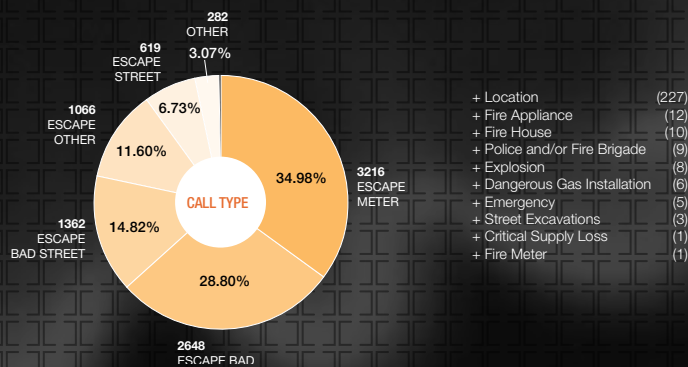
TOTAL CALLS TO CALL CENTRE (QUATERLY HISTORICAL DATA)



EMERGENCY CALLS TO COMPANIES (A & B PRIORITIES ONLY)



EMERGENCY CALL TYPE (A & B PRIORITIES ONLY)



PERFORMANCE MEASURES

STANDARDS AND BEST PRACTICE

Outcome and Measures	2007/08 Target	Actual
Electricity – Supply and Use		
Electricity caused deaths (number)	0	2
Electricity involved deaths (number)	0	0
Electricity suicides (number)	0	3
Electricity involved serious injuries (number)	0	44
Electricity involved non-serious injuries (number)	0	670
Electricity involved serious incidents without injury (number)	0	69
Electricity involved non-serious incidents without injury (number)	0	618
Electricity-related fires (number)	0	2,844
Victoria's ranking compared to other Australian States and New Zealand	1	3

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.

Outcome and Measures	2007/08 Target	Actual
Gas – Supply and Use		
Gas caused deaths	0	0
Gas involved deaths	0	0
Gas involved suicides	0	0
Gas involved injuries	0	47
Gas related fires (number)	0	207

SAFE MATERIALS, COMPONENTS AND APPLIANCES

Outcome and Measures	2007/08 Target	Actual
Electricity		
Recalls (number)	0	9
Compliant equipment submitted for safety approval (percentage)	95%	99.3%
Compliant equipment check tested for safety (percentage)	95%	97%
Electrical appliances on display in retail outlets with an accurate approvals marking (percentage)	95%	96.3%
Compliant equipment submitted for energy efficiency approval (percentage)	95%	100%
Compliant equipment check tested for energy efficiency (percentage)	95%	97%
Electrical appliances on display in retail outlets with an accurate energy rating label (percentage)	95%	96%

Gas

Complex Gas Installations

No. of Type B appliance submissions (assessed/inspected)	1,400	1,132
% of Type B appliance installations found defective	20	15
No. of complex installation inspections	3,600	3,323
% of complex installations found defective	30	12
Major public and regional events audited for safety	60	79

Standard Gas Installations & Type A Appliances

No. of type A appliances assessed (Australian Gas Association Tier 2)	200	140
Type A appliance Point of sale audits	20	14
% of standard installations audited by PIC	5	5
% of standard installations found defective on PIC audits	4	9

Information

Industry presentations	60	60
TAFE contact days	52	26
Operational days for 1800 Technical Helpline	250	250
Call received 1800 Technical Helpline	-	6,100

SKILLED WORKFORCE

Outcome and Measures	2007/08 Target	Actual
Electricity		
Workers Working on the Network		
Compliant transmission company lineworkers (percentage)	95%	99%
Compliant distribution company lineworkers (percentage)	95%	99%
Workers Working on the Installations		
Compliant licensed electrical inspectors (percentage)	95%	63%
Compliant registered electrical contractors (percentage)	95%	75%
Compliant licensed electrical installation workers (percentage)	95%	75%
Compliant inspection companies (percentage)	95%	100%
Compliant prescribed electrical work (percentage)	99%	97%
Compliant non-prescribed electrical work (percentage)	95%	89%

SAFE, SECURE AND EFFICIENT NETWORKS, FACILITIES AND INSTALLATIONS

Outcome and Measures	2007/08 Target	Actual
Electricity		
Safe Networks		
Electricity caused deaths (number)	0	2
Electricity involved deaths (number)	0	0
Electricity suicides (number)	0	0
Electricity involved serious injuries (number)	0	8
Electricity involved non-serious injuries (number)	0	350
Electricity involved serious incidents without injury (number)	0	20
Electricity involved non-serious incidents without injury (number)	0	515
Electricity-related fires (number)	0	1,317
Priority 1 incidents responded to within 24 hours (percentage)	100%	100%
Safe Installations & Appliances		
Electricity caused deaths (number)	0	0
Electricity involved deaths (number)	0	0
Electricity suicides (number)	0	3
Electricity involved serious injuries (number)	0	36
Electricity involved non-serious injuries (number)	0	326
Electricity involved serious incidents without injury (number)	0	49
Electricity involved non-serious incidents without injury (number)	0	106
Electricity-related fires (number)	0	1,527
Properties with safety switches installed (percentage)	65%	67%

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.

PERFORMANCE MEASURES

SAFE, SECURE AND EFFICIENT NETWORKS, FACILITIES AND INSTALLATIONS

Outcome and Measures	2007/08 Target	Actual
Gas		
Gas Networks		
Gas involved deaths	0	0
Gas involved suicides	0	0
Gas involved injury	0	6
Damage to assets <1,050 kPa	3,600	3,789
Damage to assets >1,050 kPa	0	0
Emergencies > Level 2	N/A	14
Loss of supply affecting > 5 customers	25	58
Loss of supply affecting > 100 customers	2	0
Loss of supply affecting > 1,000 customers	0	0
No. of accepted safety cases	-	37
No. of safety case audits per company per annum –		
- Natural Gas Transmission & Distribution	1.3	1.38
- Other	1	1
- Retail	1	1
- LPG	1	1.30
Emergency management exercises per company per year	2	0.65
% of priority 'A' emergency calls responded to within 60 minutes –		
- Metropolitan BH	98%	96%
- Metropolitan AH	98%	92%
- Country (all hours)	98%	96%
Gas Use		
Gas caused deaths	0	0
Gas involved suicides	0	0
Gas involved injury	18	41
Investigations into breaches of Act and Regulations	50	
Reported fires/explosions/asphyxiation –		
- Gas caused	110	81
- Gas directly involved	180	158
- Gas incidentally involved	20	70
- Gas not involved	30	23
- Cause unknown	45	56
Total	385	388
No. of consultative workshops	-	6

EDUCATED COMMUNITY AND SAFETY PARTNERS

Outcome and Measures	2007/08 Target	Actual
Community		
Reach of public awareness campaign (percentage)	95%	89%
Recall of electricity safety messages (percentage)		
"Look Up and Live" (regional and rural Victoria only)		97%
"Safety Switches Save Lives"		84%
"Always Treat Gas with Respect"		57%
"Don't Take Electricity for Granted"		57%
"Don't Do Electrical Work Yourself"		67%
"Arrange a Home Safety Inspection"		42%
"Check Gas Appliances"		55%
Satisfaction with public awareness campaign (percentage)	92%	91%

PROFESSIONAL ORGANISATION

Outcome and Measures	2007/08 Target	Actual
Financial		
Income to expenses ratio (number)	1.00	1.02
Industry levies to total revenue (percentage)	43%	43%
Human Resources		
Workforce availability	85%	85%
Lost time injuries	0	0
Employees retained	95%	89%

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OPERATING STATEMENT

FOR THE YEAR ENDED

30 JUNE 2008

	Notes	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
Revenue			
Revenue from ordinary activities	2a	18,777	18,359
Revenue from outside of ordinary activities	2b	1,152	740
Total Revenue from continuing activities		19,929	19,099
Expenses			
Employee benefits expense	4a	(9,218)	(8,612)
Compliance Audits		(2,043)	(2,006)
Depreciation & Amortisation	3	(689)	(516)
Other expenses from ordinary activities	4b	(7,586)	(7,698)
Total expenses from continuing activities		(19,536)	(18,832)
Net result from continuing activities		393	267

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

BALANCE SHEET

AS AT 30 JUNE 2008

	Notes	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Current assets			
Cash & cash equivalents	10b, 11	4,045	3,478
Receivables	5, 11	1,956	2,688
Prepayments		-	179
Total Current assets		6,001	6,345
Non-current assets			
Plant and equipment	6	737	1,093
Intangibles	7	669	237
Total Non-current assets		1,406	1,330
Total assets		7,407	7,675
Current liabilities			
Payables	8, 11	830	1,538
Fees in advance		145	30
Provisions	9a	2,615	2,683
Total Current liabilities		3,590	4,251
Non-current liabilities			
Provisions		-	-
Total Non-current liabilities		-	-
Total liabilities		3,590	4,251
Net Assets		3,817	3,424
Equity			
Contributed Capital	12a	3,610	3,610
Accumulated Surplus	12b	207	(186)
Total equity		3,817	3,424

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

STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2008

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Notes	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
Net result for the financial year	12b	393	267
Total Recognised Income and Expense for the financial year		393	267

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

	Notes	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities:			
Receipts from customers (inclusive of goods and services tax)		20,355	18,169
Net Goods and Services Tax recovered from (paid to) ATO		804	7
Interest received		222	242
Payments to suppliers		(11,514)	(9,901)
Payments to employees		(8,535)	(8,867)
Net cash inflow/(outflow) from operating activities	10a	1,332	(350)
Cash flows from investing activities:			
Payments for plant and equipment		(183)	(574)
Additions of intangibles		(582)	(112)
Net cash (outflow) from investing activities		(765)	(686)
Net increase/(decrease) in cash held:		567	(1,036)
Cash & cash equivalents at the beginning of the financial year		3,478	4,514
Cash & cash equivalents at the end of the financial year	10b	4,045	3,478

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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*, applicable Australian Accounting Standards (AAS), which includes the Australian accounting standards issued by the Australian Accounting Standards Board (AASB), and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report also complies with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SD) authorised by the Minister for Finance.

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 Anthony DeJong, Chief Financial Officer.

b) 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*.

c) Cash and cash equivalents

For purposes of the cash flow statement, cash includes deposits at call and other highly liquid investments with short terms to maturity, which are readily convertible to cash on hand, normally within 90 days and that are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

d) 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.

e) 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	30%
+ Office Machines	30%
+ Office Computers	40%
+ Leasehold Improvements	30%

f) 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 asset 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.

g) 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 on-costs, 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 year from 1 July 2007 to 30 June 2008, Energy Safe Victoria has calculated 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 9b).

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 as Energy Safe Victoria's default fund, and to other funds as elected by employees under Super Choices legislation. These contributions are based on the requirements of the Superannuation Guarantee Levy and the salary sacrifice provisions of its enterprise bargaining agreement. (Refer: Note 16).

h) Payables

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

i) 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 – recognised upon receipt by ESV.
- + Sales of certificates of electrical safety – recognised upon invoicing.
- + Fees paid by manufacturers and importers of electrical equipment for certificate of safety approval prior to the goods being made available for sale – recognised upon invoicing.
- + Fees paid by manufacturers to cover hazardous location investigations – recognised upon invoicing.
- + Levy charged on the Electricity Industry to ensure compliance with the *Electricity Safety Act 1998* and associated regulations – recognised upon invoicing.
- + Levies charged on the Gas Industry to ensure compliance with the *Gas Safety Act 1997* and associated regulations – recognised upon invoicing.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

i) Revenue recognition (continued)

+ Fees paid by members of the Victorian Electrolysis Committee to cover mitigation costs in accordance with the *Electricity Safety Act 1998* – recognised upon invoicing.

+ Interest income is recognised as it accrues and is based upon interest rates and tenor applicable to the invested funds – recognised upon receipt by ESV.

j) 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.

k) Financial Instruments

Receivables (Note 5) are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment. 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 for any doubtful debts

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.

Cash and 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 60 days and effective interest rates 6.35% to 7.72%.

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

l) 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.

m) Rounding of Amounts

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

n) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2008 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As at 30 June 2008, the following standards and interpretations (applicable to departments) had been issued but were not mandatory for financial year ending 30 June 2008. ESV has not, and does not intend to, adopt these standards early.

STANDARD / INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING OR ENDING ON	IMPACT ON AGENCY FINANCIAL STATEMENTS
Interpretation 12 <i>Service Concession Arrangements.</i>	AASB approved an Australian Interpretation 12, equivalent to IFRIC 12, applying to private sector operators, but explicitly excludes accounting for public sector grantors.	Beginning 1 July 2008	The impact of any changes that may be required cannot be reliably estimated and is not disclosed in the financial report.
AASB 2007-2 <i>Amendments to Australian Accounting Standards arising from AASB Interpretation 12.</i>	Amendments arise from the release in February 2007 of Interpretation 12 Service Concession Arrangements.	Beginning 1 July 2008	As above.
Revised AASB 1004 <i>Contributions</i>	AASB decided to relocate requirements on contributions from AAS 27, 29 and 31, substantively unamended, into AASB 1004 as part of its short-term review of AAS 27, AAS 29, and AAS 31.	Beginning 1 July 2008	As above.
AASB 1050 <i>Administered Items</i>	As part of the short-term review of AAS 27, AAS 29, and AAS 31, AASB decided to relocate the requirements for the disclosure of administered items from AAS 29, substantively unamended (with some exception as noted in Appendix A) into a new topic-based standard AASB 1050.	Beginning 1 July 2008	Not applicable.
AASB 1051 <i>Land Under Roads</i>	The new pronouncement AASB 1051 Land Under Roads provides the option to recognise or not recognise land under roads acquired before the end of the first reporting period ending on or after 31 December 2007. Land under roads acquired after 31 December 2007 should be accounted for following requirements of AASB 116 Property, Plant and Equipment. The State is yet to decide whether to change its policy. Until a conclusion is reached, the current default position is that land under roads will not be recognised.	Beginning 1 July 2008	Not applicable.
AASB 1052 <i>Disaggregated Disclosures</i>	AASB decided to relocate requirements relating to reporting of disaggregated information from AAS 27 and AAS 29 into AASB 1052, a new topic-based standard, as part of its short-term review of AAS 27, AAS 29 and AAS 31.	Beginning 1 July 2008	Not applicable.
AASB 2007-09 <i>Amendments to Australian Accounting Standards arising from the review of AAS 27, AAS 29 and AAS 31</i>	An accompanying amendment standard to amend existing accounting standards as part of the short term review of AAS 27, AAS 29 and AAS 31 in December 2007.	Beginning 1 July 2008	Impact expected to be insignificant.
Revised Interpretation 1038 <i>Contributions by Owners made to Wholly-Owned Public Sector Entities</i>	Editorial amendments to Interpretation 1038 due to changes to AASB 1004.	Beginning 1 July 2008	Not applicable.
AASB 8 <i>Operating Segments.</i>	Supersedes AASB 114 Segment Reporting.	Beginning 1 Jan 2009	Not applicable.
AASB 2007-3 <i>Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038].</i>	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Impact expected to be insignificant.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 2: REVENUE

	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
(a) Revenue from ordinary activities		
Licence Fees	2,844	2,816
Emergency Telephone Service Fees	314	308
Safety Case Audit Fees	154	181
Approval Fees	620	689
Certificates of Electrical Safety	4,839	4,584
Electrolysis	1,082	977
Appliance Efficiency	163	182
Hazardous Location Investigations	113	100
Safety Management Schemes	134	120
Other	30	142
Sub Total fees	10,293	10,099
Industry Levy - Electricity	3,486	3,374
Industry Levy – Gas	4,853	4,886
Industry Levy – Gas Pipelines	145	-
Total revenue from ordinary activities	18,777	18,359
(b) Revenue from outside the ordinary activities		
Advertising Space Revenue	85	123
Legal Cost Recoveries	63	37
Interest from financial assets that are not at fair value through profit or loss	222	242
Other	782	338
Total revenue from outside ordinary activities	1,152	740
Total Revenue from continuing activities	19,929	19,099

Other revenue comprises income from sub-tenancy agreements, workers compensation reimbursements, staff contributions to motor vehicle expenses, conduction of industry seminars for new electrical wiring rules, sundry advertising co-contributions, reimbursement of transferred employee entitlements & previously unrecognised income.

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:

	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
Furniture and Fixtures	40	47
Office Machines/ Computers	406	209
Software	150	163
Leasehold Improvements	93	97
	689	516

NOTE 4a: EMPLOYEE BENEFITS EXPENSE

Outlined below is the detailed breakdown related to employee benefits expense:

	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
Salaries	8,580	8,227
On-costs		
- Superannuation	168	97
- Annual Leave(movement)	63	163
- Long Service Leave (movement)	(242)	(383)
- Workers Compensation	62	41
- Payroll Tax	401	394
- Fringe Benefits Tax	186	73
Subtotal On-costs	638	385
	9,218	8,612

NOTE 4b:
OTHER EXPENSES FROM ORDINARY ACTIVITIES

	Year Ended 30 June 2008 (\$'000)	Year Ended 30 June 2007 (\$'000)
Rent	870	749
Advertising	1,313	1,390
Motor Vehicle Expenses	1,147	1,049
Printing & Stationery	385	946
Telecommunications	257	404
Consulting Fees	609	634
Emergency Response	58	80
Emergency Response Telephone	319	342
Business Services	24	94
Legal Fees	19	58
Admin Fees – Certificates of Electrical Safety	240	217
Insurance	419	394
Computer Expenses	471	494
Travel Expenses	107	109
Training & Education	164	123
Compliance & Audit Services (including Bushfire Mitigation)	153	177
Office Equipment	105	42
Committee Member Fees	23	11
Hazardous Location Investigations	27	66
Bad Debts Expense/Provision for Doubtful Debts	540	121
Other	336	198
	7,586	7,698

NOTE 5:
CURRENT ASSETS - RECEIVABLES

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Approval fees	190	191
Electrolysis fees	211	266
Appliance Efficiency fees	38	56
Distribution Businesses	936	500
Agent – Certificate of Electrical Safety	690	903
G.S.T. Input Tax Credit	138	209
General	209	684
	2,412	2,809
Less Provision for Doubtful Debts	(456)	(121)
	1,956	2,688

An amount of \$209,590 reported as General Receivable for the Year Ended 30 June 2008 relates to the work undertaken by Energy Safe Victoria for the installation of electrical equipment in hazardous locations throughout the State (\$16,801), ESV magazine (\$38,188) and Other (\$154,601), comprising sub-tenant lessees, Blue Book scheme participants, pipelines levy businesses and safety management schemes holders.

A provision for doubtful debts has been established of \$456,439 which follows a review of outstanding debtors.

30 June 2008	Provision for Doubtful Debts (\$'000)
Carrying amount at beginning of financial year	121
Additional provision	540
Amounts written off during the financial year	(205)
Total provision	456

30 June 2007	Provision for Doubtful Debts (\$'000)
Carrying amount at beginning of financial year	-
Additional provision	121
Amounts written off during the financial year	-
Total provision	121

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 6: NON-CURRENT ASSETS - PLANT AND EQUIPMENT

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Furniture and fixtures at cost	188	175
Less: accumulated depreciation	(131)	(83)
	57	92
Office Machines at cost	1,220	1,151
Less: accumulated depreciation	(721)	(398)
	499	753
Leasehold Improvements at cost	482	387
Less accumulated depreciation	(301)	(139)
	181	248
Summary:		
Plant and equipment at cost	1,890	1,713
Less: accumulated depreciation	(1,153)	(620)
Carrying amount at end of financial year	737	1,093

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year are set out below:

30 June 2008	Furniture & Fixtures (\$'000)	Office Machines (\$'000)	Leasehold Improvements (\$'000)	Total (\$'000)
Carrying amount at beginning of financial year	92	753	248	1,093
Additions	5	152	26	183
Disposals	-	-	-	-
Depreciation expense	(40)	(406)	(93)	(539)
	57	499	181	737

30 June 2007	Furniture & Fixtures (\$'000)	Office Machines (\$'000)	Leasehold Improvements (\$'000)	Total (\$'000)
Carrying amount at beginning of financial year	146	449	287	882
Additions	3	513	58	574
Disposals	(10)	-	-	(10)
Depreciation expense	(47)	(209)	(97)	(353)
	92	753	248	1,093

NOTE 7:
NON-CURRENT ASSETS - INTANGIBLES

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Work In Progress (Software Development)	233	-
	233	-
Software at cost	774	536
Less: accumulated amortisation	(338)	(299)
	436	237
Total Intangibles at the end of financial year	669	237

30 June 2008 **Intangibles (\$'000)**

Carrying amount at beginning of financial year	237
Additions	582
Disposals	-
Amortisation expense	(150)
	669

30 June 2007 **Intangibles (\$'000)**

Carrying amount at beginning of financial year	288
Additions	112
Disposals	-
Amortisation expense	(163)
	237

NOTE 8:
CURRENT LIABILITIES - PAYABLES

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Payables	835	1,535
GST Output - Sales	22	29
Payroll Suspense	-	1
Rental Bond Held	(27)	(27)
	830	1,538

NOTE 9a:
CURRENT LIABILITIES - PROVISIONS

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Superannuation	-	2
Employee benefits - annual leave	1,083	1,178
Employee benefits - retirement gratuity	25	24
Employee benefits - long service leave	1,437	1,476
Taxes	70	3
	2,615	2,683

NOTE 9b:
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.

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Annual Leave – expected to fall due within 12 months	604	581
Annual Leave – expected to fall due after 12 months	479	597
	1,083	1,178

Energy Safe Victoria does not currently employ anyone with LSL representing less than 7 years of continuous service and therefore all LSL is considered a current liability.

	30 June 2008	30 June 2007
Weighted average discount rate	6.55%	6.27%
Number of Employees	95	93

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 10a: CASH FLOW STATEMENT

Reconciliation of net cash & cash equivalents used in operating activities to operating result.

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Operating surplus	393	267
Amounts in operating surplus that does not represent cash (inflows)/ outflows		
Depreciation / Amortisation	689	516
Loss on disposal of plant and equipment	-	10
	1,082	793

Change in assets and liabilities:

Current assets		
Decrease/(Increase) in receivables	661	(519)
Decrease/(Increase) in accruals	-	76
Decrease/(Increase) in prepayments	179	(179)
Decrease/(Increase) in GST receivables	71	-
Net Decrease /(Increase) in current assets	911	(622)

Non-current assets

Decrease/(Increase) in receivables	-	252
Net Decrease /(Increase) in non current assets	-	252

Liabilities

Increase/(Decrease) in payables	(700)	(481)
Increase/(Decrease) in GST payables	(7)	-
Increase/(Decrease) in other	115	(37)
Increase/(Decrease) in provisions	(69)	(255)
Net Increase /(Decrease) in current liabilities	(661)	(773)
Net cash flows from operating activities	1,332	(350)

NOTE 10b: CASH AND CASH EQUIVALENTS

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Cash on hand	3	3
Bank	169	907
Deposits – @ call	873	85
Deposits – NCD/Bills	3,000	2,483
	4,045	3,478
Balances as per balance sheet	4,045	3,478
Balances as per cash flow statement	4,045	3,478

NOTE 11: FINANCIAL INSTRUMENTS

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

b) Categorisation of financial instruments

TABLE 11.b: CATEGORISATION OF FINANCIAL INSTRUMENTS

Financial assets	Note	Category	Carrying amount (\$'000) 2008	Carrying amount (\$'000) 2007
Cash and cash equivalents	10b	Cash	4,045	3,478
Receivables	5	Loans & receivables measured at amortised cost	1,818	2,479

Financial liabilities	Note	Category	Carrying amount (\$'000) 2008	Carrying amount (\$'000) 2007
Payables	8	Financial liabilities measured at amortised cost.	808	1,509

c) Credit risk

Credit risk arises from the financial assets of Energy Safe Victoria, which comprise cash and cash equivalents, and trade and other receivables. Energy Safe Victoria's exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to the organisation. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the agency's financial assets at balance date in relation to each class of recognised financial asset is generally the maximum carrying amount, net of any provision for doubtful receivables.

In addition, Energy Safe Victoria does not engage in hedging for its financial assets and mainly obtains financial assets that are on fixed interest.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client status.

Except as otherwise detailed in the following table, the carrying amount of financial assets recorded in the Financial Report, net of any allowances for losses, represents the agency's maximum exposure to credit risk.

Maximum exposure to credit risk (\$'000)

Financial assets and other credit exposures	Maximum credit risk	
	2008	2007
	-	-

Currently Energy Safe Victoria does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired:

TABLE 11.c: INTEREST RATE EXPOSURE AND AGEING ANALYSIS OF FINANCIAL ASSETS

(\$'000)											
	Weighted average effective interest rate %	Carrying amount	Interest rate exposed			Not past due and not impaired	Past due but not impaired				Impaired financial assets
			Fixed interest rate	Variable interest rate	Non interest bearing		Less than 1 month	1-3 months	3 months - 1 year	1-5 years	
2008											
Loans & Receivables:											
-Trade Receivables	-	1,818	-	-	1,818	988	493	211	126	-	456
Cash & cash equivalents:	7.04%	4,045	3,000	1,045	-	4,045	-	-	-	-	-
		6,048	3,000	1,045	1,908	5,144	481	205	123	-	456
2007											
Loans & Receivables:											
-Trade Receivables	-	2,479	-	-	2,479	1,529	467	209	483	-	121
Cash & cash equivalents:	6.25%	3,478	2,483	995	-	3,478	-	-	-	-	-
		6,166	2,483	995	2,688	5,007	467	209	483	-	121

d) Liquidity risk

Liquidity risk arises when Energy Safe Victoria is unable to meet its financial obligations as they fall due. The agency operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, makes payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The agency's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available financial investments.

Maximum exposure to liquidity risk is the carrying amounts of financial liabilities except as detailed in the following table:

Financial liabilities and other liquidity exposure

	Maximum liquidity risk (\$'000)	
	2008	2007
Trade payables	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

The following table discloses the contractual maturity analysis for Energy Safe Victoria's financial liabilities:

TABLE 11.d: INTEREST RATE EXPOSURE AND MATURITY ANALYSIS OF FINANCIAL LIABILITIES

(\$'000)							
	Weighted average effective interest rate %				Maturity dates		
		Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
2008							
Payables:							
Trade payables	0.00%	808	808	783	25	-	-
		808	808	783	25	-	-
2007							
Payables:							
Trade payables	0.00%	1,509	1,509	1,348	161	-	-
		1,509	1,509	1,348	161	-	-

e) Market risk

Energy Safe Victoria's exposure to market risk is primarily through interest rate risk and it does not have, nor intend to have, any exposure to foreign currency risk, or other price risk.

Sensitivity disclosure analysis:

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Energy Safe Victoria believes that it has virtually no exposure to market movements.

This analysis represents an analysis of the risk on the return from ESV's cash and cash equivalent assets only and also excludes any financial liabilities as ESV considers its only financial liability to be its payables, which are not subject to market risk.

TABLE 11.e: MARKET RISK EXPOSURE

	Carrying amount	Interest rate risk			
		-2% (200 basis points)		+2% (200 basis points)	
		Net Result	Equity	Net Result	Equity
2008					
Financial assets:					
Cash and cash equivalents	4,045	(148)	(148)	148	148
Receivables	1,818	-	-	-	-
Total increase/ (decrease)		(148)	(148)	(148)	(148)

As Energy Safe Victoria does not, nor intends to, have exposure to Foreign Exchange and Other Price risk, no sensitivity analysis about these items has been made.

f) Fair value

The carrying amounts of financial assets and financial liabilities approximates their net fair value.

	Note	30 June 2008 (\$'000)	Net Fair Value (\$'000)	30 June 2007 (\$'000)	Net Fair Value (\$'000)
Financial Assets					
Cash & cash equivalents	10b	4,045	4,045	3,478	3,478
Receivables	5	1,818	1,818	2,479	2,479
		5,863	5,863	5,957	5,957
Financial Liabilities					
Payables	8	808	808	1,509	1,509
Net Financial Assets		5,055	5,055	4,448	4,448

Reconciliation of Net Financial Assets to Net Assets

	Note	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Net Financial Assets (as above)		5,055	4,448
Non Financial Assets and Liabilities			
-Plant & Equipment	6	737	1,093
-Intangibles	7	669	237
-Prepayments		-	179
-Net GST payable (receivable)		116	180
-Fees received in advance		(145)	(30)
-Provisions	9a, 9b	(2,615)	(2,683)
Net Assets per Balance Sheet		3,817	3,424

NOTE 12: EQUITY

a) Contributed Capital

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Balance at the beginning of the reporting period	3,610	3,610
Total Equity	3,610	3,610

b) Accumulated Surplus

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Accumulated surplus at beginning of the financial year	(186)	(453)
Result as recognised in the Operating Statement	393	267
Accumulated surplus at the end of the financial year	207	(186)

c) Total Equity

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Contributed Capital	3,610	3,610
Accumulated Surplus	207	(186)
Total Equity	3,817	3,424

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. As at 30 June 2008 there are no items that are required to be considered as contingent liabilities.

NOTE 14: AUDITORS' REMUNERATION

	30 June 2008 (\$'000)	30 June 2007 (\$'000)
Audit fees paid or payable to the Victorian Auditor General's office for audit of Energy Safe Victoria's financial report:		
Paid as at year end	31	30
Payable as at year end	-	-

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 15: COMMITMENTS FOR EXPENDITURE

Operating Lease Commitments	30 June 2008 (\$'000)	30 June 2007 (\$'000)
(i) Motor vehicles		
Not later than one year	788	947
Later than one year but not later than five years	436	319
Later than five years	-	-
	1,224	1,266
(ii) Office accommodation		
Not later than one year	921	896
Later than one year but not later than five years	348	1,250
Later than five years	-	-
	1,269	2,146
(iii) Office equipment		
Not later than one year	99	106
Later than one year but not later than five years	-	99
Later than five years	-	-
	99	205
Total	2,592	3,617

Note: The 2007/08 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, 369 Royal Parade, Parkville & 78 Moorabool Street, Geelong. 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), as Energy Safe Victoria's default fund, and to other funds as elected by employees under Super Choices legislation. These contributions are based on the requirements of the Superannuation Guarantee Levy and the salary sacrifice provisions of its enterprise bargaining agreement.

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 year are:

Responsible Minister: The Honourable Peter Batchelor 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:

\$210,000 - \$219,999

The Accountable Officer's remuneration for the year 1 July 2007 to 30 June 2008 includes payment of annual leave.

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

Income Band	Total Remuneration		Base Remuneration	
	2007/2008	2006/2007	2007/2008	2006/2007
\$100,000 - \$109,999	0	0	0	0
\$110,000 - \$119,999	1	1	1	1
\$120,000 - \$129,999	0	0	0	0
\$130,000 - \$139,999	3	3	3	3
\$140,000 - \$149,999	2	0	2	0
\$150,000 - \$159,999	0	0	0	0
\$160,000 - \$169,999	1	3	1	3
Total Number	7	7	7	7
Total Amount	\$967,319	\$993,000	\$967,319	\$993,000

The Office did not engage in any transactions with the above stated persons or their related parties during the year from 1 July 2007 to 30 June 2008 or for the year from 1 July 2006 to 30 June 2007.

During 2007/08, two executive managers resigned and were replaced by an executive manager and an executive advisor.

The above table does not include the remuneration for the Accountable Officer, which has been declared in Note 17.

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 Year Ended 30 June 2008 and financial position of Energy Safe Victoria as at 30 June 2008.

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
09 / 09 / 2008



A DeJong
Executive Manager Finance & IT
09 / 09 / 2008



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Director of Energy Safe Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2008 of Energy Safe Victoria which comprises an operating statement, balance sheet, statement of changes in equity, statement of cash flows, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

The Director's Responsibility for the Financial Report

The Director of Energy Safe Victoria is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Director, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial statements published in both the annual report and on the website of Energy Safe Victoria for the year ended 30 June 2008. 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 auditor's report refers only to the statements named above. 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 the Energy Safe Victoria web site.

1

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8801 7000 Facsimile 61 3 8801 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

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. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Energy Safe Victoria as at 30 June 2008 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
9 September 2008



D D R Pearson
Auditor-General

STATEMENT OF CORPORATE INTENT

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

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

The tables summarise:

1. Outcomes to be accomplished by June 2013;
2. Targeted measures of performance for 2008/09 and two subsequent years;
3. Strategic initiatives and major milestones to be achieved in 2008/09; and,
4. Operational activities and planned activity levels for 2008/09.

KEY OUTCOME NO. 1 MODERN SAFETY REGULATION – EFFECTIVE, EFFICIENT AND FAIR

REVISED LEGISLATION REFLECTING NEW APPROACH.

SET OF REGULATIONS AND RULES DESIGNED TO MATCH THE NEEDS AND COMPETENCIES OF STAKEHOLDERS AND ENCOURAGE EXCELLENCE IN STAKEHOLDER PERFORMANCE.

MORE CLEARLY DEFINED REGULATORY BOUNDARIES AND RESPONSIBILITIES.

REDUCE LEGISLATIVE BURDEN

Measure	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Remake the following regulations (2007/2008) –				
* Gas Safety (Gas Quality) Regulations	Oct '07			
Remake the following regulations (2008/2009) –				
* Electricity Safety (Management) Regulations		Oct '08		
* Gas Safety (Safety Case) Regulations		Jan'09		
* Gas Safety (Gas Installations) Regulations		Jan'09		
* Electricity Safety (Stray Current Corrosion) Regulations		Apr'09		
* Electricity Safety (Equipment Efficiency) Regulations		Apr'09		
* Electricity Safety (Installations) Regulations		Apr'09		
* Electricity Safety (Equipment) Regulations		Apr'09		
Remake the following regulations (2009/2010) –				
* Electricity Safety (Network Assets) Regulations			Dec '09	
* Electricity Safety (Electric Line Clearance) Regulations			Jun '10	
Remake the following regulations (2010/2011) –				
* Electricity Safety (Infringements) Regulations				Dec '10

Strategic Initiatives

Major Milestones 2008/2009

1 Update electricity and gas safety regime (implement outcomes of regulatory reviews and re-make expiring regulations).
(Note: This strategy was known as Strategy 1b in 2007/2008)

- All "sunsetting" regulations to be remade prior to expiry

Operational Activities

Planned Activity Level 2008/2009

- Electrical investigations

- All investigations to be completed within pre-set times

- Gas investigations

- All investigations to be completed within pre-set times

- Regulations remake

- All "sunsetting" regulations to be remade prior to expiry

- Court prosecutions

- 100% conviction rate for all prosecution matters

KEY OUTCOME NO. 2 BETTER INFORMED STAKEHOLDERS – IMPROVED CONSULTATION & COMMUNICATION

PUBLIC AND INDUSTRY EDUCATED IN SAFE USE OF APPLIANCES AND INSTALLATIONS.

ADOPTING APPROPRIATE TECHNOLOGY (I.E. WEB ENABLED COMMUNICATIONS) TO PROVIDE EASIER ACCESS TO INFORMATION FOR THE BENEFIT OF ALL STAKEHOLDERS.

ENSURE STAKEHOLDERS ARE SATISFIED WITH ESV SERVICES.

ENSURE APPROPRIATE CONSULTATION WITH STAKEHOLDERS WHENEVER POSSIBLE.

Measure	Target 2007/2008	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Reach of safety campaigns [average across campaigns/groups] (%)	95	89	95	95	95
Recall of safety messages [average across messages/groups] (%)	70	66	70	75	75
Overall stakeholder satisfaction with ESV (%)	90	91	92	92	92
Unique visitors to the ESV website (no.)	86, 500	78, 623	86, 500	86, 500	86, 500

Strategic Initiatives	Major Milestones 2008/2009
2a Ensure the efficiency and effectiveness of communicating safety information to the community and industry	All programs implemented.
2b Improve the quality of consultation with safety partners, community and industry and responsiveness to stakeholder needs	All programs implemented.

Operational Activities	Planned Activity Level 2008/2009
Effectively communicate safe use and behaviours around electricity, gas and pipelines to the community and industry, including –	- Complete all operational activities on schedule and within budget.
- Maintain the communications content of the ESV website and produce publications.	- Pursue appropriate sponsorship opportunities. - Undertake three major awareness campaigns.
- Work with safety partners to promote safety messages.	- Produce four issues of the “energysafe” magazine. - Produce one ESV annual report. - Produce brochures, safety alerts as required. - Undertake at least two joint campaigns with MFB/CFA.
- Seek both reactive and proactive opportunities through electronic and print media to alert the community to energy safety issues.	- Advertise “Look Up And Live” and “Don’t Work Live” messages in appropriate industry and trade union publications. - Promote the electrical home safety inspection scheme through the rebate for seniors.
- Maintain a high standard of internal communications including regular publication of the ESV newsletter.	- Produce at least six issues of the internal “energysafe” newsletter each year.

KEY OUTCOME NO. 3 SAFE AND RELIABLE GAS SUPPLY, ELECTRICITY SUPPLY AND PIPELINE SYSTEMS

MINIMISE DEATHS, INJURIES AND FIRES FROM ELECTRICITY AND GAS SUPPLY SYSTEMS.

ENSURE APPROPRIATE COMMUNITY BEHAVIOURS.

EFFECTIVE MANAGEMENT OF SUPPLY EMERGENCIES.

INCREASED EFFECTIVENESS OF ASSET MANAGEMENT PHILOSOPHIES AND PRACTICES ADOPTED BY BUSINESSES (TO MEET NEEDS FOR RELIABILITY AND CAPACITY)

TRANSITION TO COMPULSORY SAFETY MANAGEMENT SCHEMES BY ELECTRICITY TRANSMISSION AND DISTRIBUTION COMPANIES.

MINIMISE DEATHS, INJURIES AND ENVIRONMENTAL IMPACTS FROM PIPELINES.

Measure	Target 2007/2008	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Electrical fatalities - caused	0	2	0	0	0
Gas fatalities - caused	0	0	0	0	0
Damage to gas assets < 1,050 kPa	3,600	3,789	3,500	3,400	3,300
Damage to gas assets > 1,050 kPa	0	0	1	0	0
Contact with electricity supply assets	300	221	300	300	300

Strategic Initiatives

Major Milestones 2008/2009

3a Reduce the frequency and consequence of unintended contact with gas and electricity supply infrastructure

- Strategies implemented for reducing frequency of contacts with pipelines and powerlines.

3b Development of processes for the roll out of compulsory electricity safety management schemes (ESMS) regime for electricity transmission and distribution

- Processes and protocols for electricity transmission and distribution ESMS established and communicated to industry

Operational Activities

Planned Activity Level 2008/2009

- Evaluate gas safety cases submitted to ESV. Audit compliance with safety cases and monitor gas supply safety outcomes. Ensure maintenance of ESV and industry gas emergency response capability.

- 2 audits per annum for major LPG and gas pipeline company safety cases, 1 per annum for others.

- Evaluate gas safety cases as and when submitted.

- Evaluate safety and environment management plans submitted by pipeline licencees. Audit compliance with plans and monitor pipeline safety and environmental outcomes.

- 1 audit per annum of bushfire management plans for electricity network operators.

- Evaluate bushfire management plans (20 per annum) prior to bushfire season.

- Evaluate bushfire mitigation plans, electric line clearance plans, electricity safety management schemes and exemption applications submitted to ESV. Audit compliance with plans and monitor electricity supply safety outcomes.

- 1 audit per annum of bushfire management plans for electricity network operators.

- Evaluate bushfire management plans (20 per annum) prior to bushfire season.

- Evaluate electric line clearance plans (86 per annum) and electricity safety management schemes when submitted.

- Manage stray current corrosion of underground assets through operation of the Victorian Electrolysis Committee (VEC), registration of cathodic protection systems and performance of field tests on stray current corrosion mitigation systems

- Chair the VEC and technical subcommittee.

- Co-ordinate 22 area tests per annum.

- 1,200 drainage bonds and 72 thyristor drainage units tested 10 times per annum.

KEY OUTCOME NO. 4 SAFE AND EFFICIENT APPLIANCES AND SAFE INSTALLATIONS

ENHANCE INCIDENT MANAGEMENT, INVESTIGATIONS AND LEARNINGS.
 IMPROVE COMPLIANCE RATES.
 ENSURE SUSTAINABLE EQUIPMENT AND APPLIANCES.
 IMPROVED ACCESS TO INFORMATION FOR ENERGY WORKERS.

Measure	Target 2007/2008	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Electrical fatalities - caused [3 year average] (per million population)	0.33	0.40	0.40	< 3yr ave	< 3yr ave
Gas fatalities - caused [3 year average] (per million population)	0.07	0.07	0.07	< 3yr ave	< 3yr ave
Compliant electrical installations (%)	94	92	92	93	94
Undertake investigations of incidents within required timeframes (%)	NA	95	95	95	95
Properties with safety switches installed (% of domestic properties)	65	67	70	70	70
Compliance of licensed/registered electrical industry workers [average] (%)	81	75	81	82	83
Safe/approved electrical appliances identified at retail outlets (%)	95	96	96	96	97
Compliance of electrical appliances for efficiency labelling (%)	95	98	98	98	98
Participation and reporting of industry action and involvement (%)	NA	96	96	97	98
Compliance of Type B appliances inspected & audited (%)	80	85	80	85	90
Compliance of other complex gas installations inspected & audited (%)	70	88	75	78	80
Compliance of standard gas installations audited by PIC (%)	92	90	92	92	92

Strategic Initiatives

Major Milestones 2008/2009

4a Review the efficiency and effectiveness of the certificate of electrical safety system and the independence and governance of the electrical inspection and auditing system	- Develop and implement an online certificate of electrical safety system. - Implement legislative changes to electrical inspection as identified through the consultation process.
4b Introduce a nationally consistent online electrical appliance approvals process	- Implement online electrical appliance approvals system.
4c Implement new gas acceptance processes	- Risk based acceptance of complex gas installations in place.
4d Introduce improvement and prohibition notice processes	- Develop policy, procedures and implement notices system.
4e Review gas appliance efficiency improvements with State and Federal agencies	- Develop draft regulations for Type A gas appliance efficiency.
4f Introduce formal consultation with the gas installation industry	- Establish consultation framework and appoint representatives.

Operational Activities

Planned Activity Level 2008/2009

- Registered electrical contractor audits	- 280
- Licensed Electrical Worker audits	- 450
- Licensed Electrical Inspector audits	- 100
- Information to industry and stakeholders	- 120
- Provide information for safety alerts and articles for the ESV magazine	- 12
- Improve the certificate of electrical safety lodgements	- 580,000
- Acceptance of Type B appliances	- 1000
- Audit of Type B appliances in service	- 100
- Acceptance of other complex gas installations	- 3,400
- Audit of Type A appliances at point of sale	- 40
- Audit gas safety at public events	- 60
- Gas incident response (days - 24x7 availability)	- 365

KEY OUTCOME NO. 5 STABLE, SUSTAINABLE AND SKILLED INDUSTRY WORKFORCE

DEVELOP RATIONAL SKILL SETS FOR INDUSTRY PARTICIPANTS.
 PROMOTE SKILLS MAINTENANCE PROGRAMS.
 INCREASE AWARENESS OF SKILLS SHORTAGES IN THE ENERGY SECTOR.
 IMPROVE EFFECTIVENESS/RECOGNITION OF LICENSING OF WORKERS.
 IMPROVE COMPETENCY OF GAS INSTALLATION PRACTITIONERS.

Measure	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Practitioners and engineers approved by ESV for Type B appliance work (no.)	NA	80	120	120
Practitioners and engineers approved by ESV for complex gas installation work (no.)	NA	100	150	250

Strategic Initiatives	Major Milestones 2008/2009
5a National competencies for industry participants	<ul style="list-style-type: none"> - Electrotechnology training package developed - National "passport" system for electricity and gas distribution and transmission sector implemented - LEA Steering Committee established
5b Promote skills maintenance programs	<ul style="list-style-type: none"> - Training program developed - Electrical hazards awareness training developed - Skills maintenance training for licensed electrical inspectors on renewal of licences implemented
5c Increased awareness and attractiveness of careers in the energy sector	<ul style="list-style-type: none"> - Promotion of "Careers Corner": DVDs.

Operational Activities	Planned Activity Level 2008/2009
- Inform and educate stakeholders and those in training upon gas safety and technical update (events & sessions)	- 100
- Technical helpline for gasfitters (days available)	- 246
- Total licences in place [electricians, etc] (no.)	- 36,800
- Total registrations in place – RECs (no.)	- 9,500
- Total registrations in place – others [lineworkers, etc] (no.)	- 6,200

NA Not applicable

KEY OUTCOME NO. 6 MOTIVATED, TRAINED, COMMITTED, HIGH PERFORMING WORKFORCE

STRONG ATTRACTION AND RETENTION STRATEGIES.
EFFECTIVE AND TARGETED STAFF TRAINING AND DEVELOPMENT.
ACHIEVE POSITIVE WORKPLACE CULTURE.
COMMITTED AND MOTIVATED WORKFORCE.
STRONG EMPHASIS ON PERFORMANCE

Measure	Target 2007/2008	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Employee satisfaction from the "People Matter" survey (%)	75	63	67	71	75
Employee retention (%)	85	89	85	85	85
Lost time injuries (no.)	0	0	0	0	0

Strategic Initiatives	Major Milestones 2008/2009
6a Review recruitment, remuneration and workforce planning strategies	- Externally benchmark recruitment, remuneration and workforce planning activities and recommend improvements
6b Implement targeted technical and non-technical training and development Initiatives including management development	- Introduce a management development program in line with feedback on specific ESV requirements
6c Operate in a way that includes staff in decisions that affect them and communicate effectively with staff	- Facilitate a process involving staff for translating ESV's values into behaviours, communicating the behaviours to staff and measuring outcomes
6d Develop initiatives to improve staff commitment and motivation based on staff feedback	- Review and benchmark current reward and recognition strategies and recommend improvements
6e Drive, measure and recognise excellent performance	- Review and facilitate the use of the ESV performance management system to enable managers to plan, measure and provide feedback on staff performance

Operational Activities	Planned Activity Level 2008/2009
- Carry out activities relating to staff recruitment and appointment	- Recruit staff within eight weeks of notification of vacancy
- Co-ordinate OH&S WorkCover, IR and diversity matters	- Co-ordinate four OH&S meetings per year and respond to issues
- Develop and/or review HR policies as required	- Develop HR policies as required through ESV's policy consultation process
- Facilitate staff training as required	- Co-ordinate two in-house training courses in line with needs analysis

KEY OUTCOME NO. 7 MORE EFFICIENT AND EFFECTIVE ESV – CLEAR AND CONSISTENT PRACTICES

UPDATED AND DOCUMENTED RISK ASSESSMENTS FOR THE ENTIRE BUSINESS.
DOCUMENTED POLICIES, BUSINESS PROCESSES AND PROCEDURES.
UPDATED AND NEW PROCESSES THAT INCREASE VALUE TO ESV AND STAKEHOLDERS.
ENSURE FINANCIAL SUSTAINABILITY.
RELEVANT AND STABLE IT SYSTEMS.

Measure	Performance 2007/2008	Target 2008/2009	Target 2009/2010	Target 2010/2011
Months of cash reserve	NA	3	3	3
Action plans resulting from the risk assessment which are on track (%)	NA	90	90	90
Action plans resulting from the strategic documents which are on track (%)	NA	90	90	90
Software projects which are on track (%)	NA	90	90	90
Compliance with the Financial Management Act (%)	NA	100	100	100

Strategic Initiatives	Major Milestones 2008/2009
7a Prioritise and implement revision of policies, processes and procedures across ESV (towards a quality management system)	- Commence the implementation of a records management system and a quality management system.
7b Updated and documented risk registers for the entire business.	- Updated IT strategy risk register and action plans. - Updated finance risk register action plans.
7c Introduction of new software systems	- Introduce the first phase of electronic invoices (Dec 08). - Complete phase 2 of the licensing database (online applications – Jun 09). - Establish a paperless COES system (Sep 09). - Complete the Equipment Approvals Database (Sep 08). - Complete Office 2007 upgrade (Mar 09). - Establish a consistent IT platform (phase out lotus notes) (Sep 2010). This includes the Work Management System.
7d Introduce a preferred supplier list	- Introduce a preferred supplier list.
7e Develop an ESV financial model, incorporating RIS requirements	- 10 year financial model.

Operational Activities	Planned Activity Level 2008/2009
- Finance – meet all statutory requirements	- All met on accuracy and on time.
- IT – ensure all systems are supported to agreed levels	- Meet all agreed availability, access, accuracy and agility service levels. - Undertake a full disaster recovery of all systems.
- Service Centre – all queries processed efficiently.	- Respond to all queries in a manner which is consistent with ESV's Customer Service Charter.

NA Not applicable

ACCOUNTING POLICIES

Refer to Note 1(a) Summary of Significant Accounting Policies in the Finance section on page 55.

AUDIT COMMITTEE

During 2007/08, the ESV Audit Committee consisted of the following members.

- + Mr Peter Buck (Chairperson)
- + Mr Ian Cuthbertson
- + Mr Geoff Tory
- + Dr Geoff White

The Audit Committee's purpose is to overview:

- + Financial performance and the financial reporting process, including the annual financial statements;
- + Recommending to the Director the engagement and, if required, the dismissal of any internal auditor;
- + The scope of work, performance and independence of the internal auditor;
- + The scope of work, independence and performance of the external auditor;
- + The operation and implementation of ESV's risk management framework;
- + Matters of accountability and internal control affecting ESV's operations;
- + The effectiveness of ESV's management information systems and other systems of internal control;
- + The acceptability of and correct accounting treatment for and disclosure of significant transactions which are not part of ESV's normal course of business;
- + The approval and sign-off of accounting policies and changes in those policies; and
- + ESV's process for monitoring compliance with laws and regulations including the Code of Conduct for the Victorian Public Sector and ESV's own Code of Financial Practice.

STATUTORY INFORMATION

Information on the following matters is available from ESV 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.

CONSULTANCIES

ESV engaged 34 consultants at a total cost of \$609 165 for 27 projects, each consultancy costing less than \$100 000

DISCLOSURE OF MAJOR CONTRACTS

ESV 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 ESV.

- + 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 ESV.

- + 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 Legal and Licensing
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
Email: 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*, ESV 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.

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

CORPORATE INFORMATION

FREEDOM OF INFORMATION

ESV received 39 freedom of information requests from 1 July 2007 to 30 June 2008.

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 \$854.50.

Freedom of information requests must be made in writing, accompanied by a \$22.00 application fee and be addressed to:

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) 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 the 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 the 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 BASED SECTOR COMMITTEE

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

RURAL COMMITTEE

Provide advice to the ESV on issues affecting rural areas.

SAFE WORKING ON ELECTRICAL INSTALLATIONS COMMITTEE

Provide advice to the 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 the 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 the 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 the 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 ESV 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.

RISK ATTESTATION

I, Ken Gardner, certify that Energy Safe Victoria has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit Committee verifies this assurance and that the risk profile of Energy Safe Victoria has been critically reviewed within the last 12 months.

Ken Gardner
Director of Energy Safety
09 September 2008

DISCLOSURE INDEX

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 ESV's compliance with statutory disclosure requirements.

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Management and structure		
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FRD 22B	Events subsequent to balance date	NA
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Other disclosures in notes to the financial statements		
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NA Not Applicable

ABBREVIATIONS

Notes:

NA	Not applicable
ESV	Energy Safe Victoria
ELRAC	Electrical Licensing and Registration Advisory Committee
COAG	Council of Australian Governments
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

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