

16 October 2023

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Utilities Commission of the Northern Territory
GPO Box 915
DARWIN NT 0801

Via email: utilities.commission@nt.gov.au

Dear Utilities Commission

Re: 2023 Review of Alcan Gove Pty Ltd Exemption Document – Consultation Paper

Thank you for the opportunity to make a submission in relation to the consultation paper on the 2023 Review of Alcan Gove Pty Ltd Exemption Document. The review is timely as it precedes the commencement of the *Electrical Safety Act 2022*. The *Electrical Safety Act 2022* is expected to commence on 01 July 2024.

The generation of electricity is a high risk activity. Safety management and mitigation plans are intended to provide for the appropriate management of hazards associated with electricity generation and the operation of electricity networks. In this way, safety management and mitigation plans play an important role in ensuring the safety of the public, employees and contractors around electrical infrastructure.

The Electricity Safety Regulator notes that safety management and mitigation plans are already required by many (but not all) electricity generators in accordance with licence conditions. From 01 July 2024 all licensed generators (and network providers) will be required to comply with the safety management and mitigation provisions set out in the *Electrical Safety Act 2022*. In this way, safety management and mitigation plans will become a legislative requirement (rather than a licence requirement) from 01 July 2024.

The *Electrical Safety Act 2022* will also provide a legislative framework that will strengthen existing safety management and mitigation plan requirements. From 01 July 2024, safety management and mitigation plans must be prepared in consultation with employee representatives and contractors. Safety management and mitigation plans will also require assessment by an independent third party every three years. The legislative framework will also provide for a suite of penalties to address the failure to comply with safety management and mitigation plan provisions.

Many of the entities that are either currently required to prepare and comply with safety management and mitigation plans in accordance with licence conditions, or will be required to comply with safety management and mitigation plan requirements from 01 July 2024, are generating electricity in a substantially similar manner to Alcan Gove Pty Ltd (RTA Gove). In this context, the Electricity Safety Regulator submits that there does not appear to be persuasive reasons for RTA Gove's current practical exemption from safety management and mitigation plan requirements to continue.

It is noted that section 87(1) of the *Electricity Reform Act 2000* provides that the Utilities Commission may, with the approval of the Minister, grant an exemption on terms and conditions considered appropriate by the Utilities Commission. The Electricity Safety Regulator supports the variation of RTA Gove's licence exemption to include a requirement to comply with safety management and mitigation plan provisions. The imposition of such a condition would ensure that RTA Gove's obligations are consistent with electrical entities operating elsewhere in the Territory. Possible wording of a condition could include the following:

RTA Gove is to be treated as an electricity entity for the purposes of Part 4 Division 2 (or section 77 to section 82 (inclusive)) of the Electrical Safety Act 2022.

It is submitted that varying the licence exemption in this way is desirable, particularly given the imminent commencement of the *Electrical Safety Act 2022*. While it is likely that there will be associated costs, such costs are not likely to exceed those of other generators operating under licence within the Territory. Further, the costs associated with safety management and mitigation plans are reasonably expected to be outweighed by the consequential safety benefits.

Thank you for the opportunity to provide a submission on this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peggy Cheong', with a horizontal line underneath the name.

Peggy Cheong
Electricity Safety Regulator