

Bushfire mitigation plan

Request from Energy Safe Victoria to submit a revised plan



REQUEST PURSUANT TO SECTION 109(1) OF THE ELECTRICITY SAFETY ACT 1998

I, Marnie Williams, Chairperson of Energy Safe Victoria issue the following request to **POWERCOR AUSTRALIA LTD** (ACN 064 651 109) pursuant to section 109(1) of the *Electricity Safety Act 1998* (Vic) as delegate of the Victorian Energy Safety Commission:

Preamble

1. ESV's objectives under the Act include to promote the prevention and mitigation of bushfire danger.
2. The purpose of this request is to address concerns held by ESV that the current wood pole management practices of the Supplier will not achieve sustainable and safe outcomes for the Victorian community, particularly in HBRA.

Application

3. The Supplier is a major electricity company for the purposes of the Act.
4. ESV may make a request to a major electricity company under s 109(1) of the Act at any time. The request must comply with s 109(2) of the Act.

Definitions

5. In this request:
 - a. **Act** means the *Electricity Safety Act 1998* (Vic);
 - b. **ESV** means Energy Safe Victoria, a body corporate established under the *Energy Safe Victoria Act 2005* (Vic);
 - c. **HBRA** means high bushfire risk areas;
 - d. **Intervention** means replacement or reinforcement;
 - e. **Relevant Period** means the period commencing on 1 January 2022 and ending on 31 December 2026 (inclusive); and
 - f. **Supplier** means Powercor Australia Ltd (ACN 064 651 109).
6. Terms that are defined in the Act have the meanings given in that Act.

Request

7. ESV requests that the Supplier submit a revised bushfire mitigation plan for its supply network to replace *Bushfire Mitigation Plan* (Revision 8.2 of Document No: 05-M810) that was accepted by ESV on 15 June 2020.
8. This request only relates to the bushfire mitigation plan referenced in paragraph 7 above and not to the electricity safety management scheme of which that bushfire mitigation plan forms part (see s 113E of the Act).

9. For the purposes of s 109(2)(b) of the Act:
- a. The matters to be addressed by the revision are:
 - i. The Supplier's wood pole management approach including how its safety management system ensures that wood pole management practices comply with the Supplier's duties under Division 1 of Part 10 of the Act, particularly in relation to the volume of wood pole Interventions occurring across the Supplier's supply network.
 - ii. Without limiting paragraph 9(a)(i) above, a commitment by the Supplier to undertake across its supply network a minimum of 34,650 wood pole Interventions during the Relevant Period including:
 1. a minimum of 25,241 wood pole Interventions in HBRA and/or electric line construction areas (with a minimum of 13,614 of these Interventions to be replacements); and
 2. replacement of not less than 3,519 reinforced wood poles.
 - iii. For the purpose of meeting the commitments referred to in paragraphs 9(a)(i) and (ii), wood poles will be selected for Intervention by the Supplier applying the following principles:
 1. priority will be given to wood poles in worst condition or which pose the greatest bushfire danger;
 2. Interventions will occur throughout the Relevant Period; and
 3. selection will occur in accordance with the Supplier's policies to be specified in its bushfire mitigation plan for acceptance by ESV.
 - b. The proposed date of effect of the revision is to be before: **1 January 2022**
 - c. The grounds for the request are:
 - i. As a major electricity company, the Supplier has various obligations and duties under the Act, including a general duty as set out in s 98 of the Act which provides that the Supplier must design, construct, operate, maintain and decommission its supply network to minimise as far as practicable:
 1. the hazards and risks to the safety of any person arising from the supply network;
 2. the hazards and risks of damage to the property of any person arising from the supply network; and
 3. the bushfire danger arising from the supply network.
 - ii. The Supplier's current wood pole management strategy is not effective in delivering safety outcomes considered acceptable to the community and the Supplier's accepted bushfire mitigation plan does not commit to a program of pole Interventions that will lead to improved and sustainable safety outcomes.
 1. Benchmarking of wood pole populations in HBRA undertaken by ESV has demonstrated that, compared to wood poles operated and maintained by other major electricity companies in Victoria, the Supplier's wood pole population in HBRA is older and failing more often.

2. Further, wood pole failures occurring in the Supplier's supply network are more prevalent in the aged wood pole population.
- iii. The dominant safety concern for ESV as a result of wood pole failures in HBRA is bushfire danger.
 1. There are significant safety risks to the public posed by bushfires which can be ignited by unsafe wood poles in a supply network.
 2. In March 2018 significant fires occurred at Terang and Garvoc causing damage to properties and putting at risk the safety of residents and others persons in those areas.
 3. The fires are significant because they identify:
 - a. the existence of the bushfire hazard or risk; and
 - b. the gravity of the consequences where the bushfire hazard or risk eventuates.
- iv. Bushfire hazards or risks are well known to the Supplier and there are measures that are practicable and within the Supplier's control to mitigate these known hazards and risks.
 1. Robust, targeted and proactive wood pole management practices involving Interventions to ensure wood poles remain in a safe condition is an effective way to mitigate these hazards or risks.
 2. An increase to the level of Interventions being undertaken by the Supplier is required to remove unsafe wood poles from its supply network and reduce the average age of the Supplier's wood pole population.
- v. The objectives of ESV under the Act include to promote the prevention and mitigation of bushfire danger. This request aligns with this objective.

Compliance

10. The Supplier may make a submission to ESV in response to this request on all or any of the grounds specified in s 109(3) of the Act. The submission must be in writing, state the Supplier's reasons for the submission and be made within 21 days of the date that this request is received by the Supplier (see s 109(4)) of the Act.
11. Unless a submission is made in accordance with paragraph 10 above, the revised bushfire mitigation plan must be submitted to ESV on or before **1 December 2021**.

Penalties

12. Section 110 of the Act provides:

Offence to fail to submit revised electricity safety management scheme on request

If Energy Safe Victoria requests the revision of an electricity safety management scheme in accordance with section 109, the major electricity company must submit a revised electricity safety management scheme for a supply network to Energy Safe Victoria—

- (a) if the major electricity company does not make a submission under that section, within the time (being not less than 60 days) specified by Energy Safe Victoria in the request; or

- (b) if the major electricity company has made a submission under that section and Energy Safe Victoria has not withdrawn the request, within the time (being not less than 60 days) specified by Energy Safe Victoria in the decision on the submission.

Penalty: In the case of a natural person, 80 penalty units;
In the case of a body corporate, 400 penalty units.



Marnie Williams
Chairperson of Energy Safe Victoria
As delegate for the Victorian Energy Safety Commission

27 September 2021