



24 August 2015

Ms Felicity Greenway
Director, Assessment Policy
Department of Planning and Environment
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Dear Ms Greenway

Submission on Code of Practice for Electricity Networks

Ausgrid welcomes the opportunity to make a submission in relation to the proposed Code of Practice for Authorised Network Operators (**Code**).

Ausgrid supports the making of a Code to ensure that current levels of environmental assessment for electricity network developments are maintained following the lease of the New South Wales electricity transmission and distribution networks.

The requirements of the Code largely reflect Ausgrid's existing practices, which are noted in the Code as best practice, and Ausgrid generally supports the measures adopted in the Code.

There is, however, one aspect of the Code that could be improved to reflect more closely the network operators' existing practices while ensuring that the key objectives of the Code are achieved. This aspect is addressed below. Ausgrid also recommends a couple of minor amendments to clarify the consultation and disclosure requirements under the Code.

1 Implementation Documentation

The Code requires an Authorised Network Operator (**ANO**) to prepare implementation documentation for a proposed activity and to record whether and how any mitigation measures and conditions relating to an activity were observed. Ausgrid supports these requirements where the relevant activity is being carried out by an ANO.

Currently, Ausgrid does not prepare implementation documentation when development of Ausgrid's electricity network is carried out by a third party contractor or ASP on behalf of a third party. It is important that contractors and ASPs take responsibility for the manner in which an activity is implemented and for satisfying any conditions under the activity approval. For this reason, contractors and ASPs are currently required to prepare their own construction environmental management plans, which are reviewed by Ausgrid for adequacy.

The Code as drafted would require ANOs to prepare implementation documentation even where activities are being carried out by contractors or ASPs. We are concerned that this is not the intended effect of the Code. Such an approach is likely to lead to confused accountabilities between ANOs and

contractors and ASPs and, at worst, could lead to a higher rate of non-compliance with approval conditions.

There may be more than one way of satisfactorily carrying out an activity and complying with the conditions of approval. For this reason it is not appropriate for an ANO to dictate to contractors and ASPs how to go about implementing an activity, as long as the conditions of approval are complied with and any required mitigation measures are employed.

Ausgrid therefore submits that the Code should expressly allow for implementation documentation to be prepared by contractors and ASPs where they are responsible for carrying out an activity, which we think is consistent with the underlying intention. Similarly, an ANO should be able to procure the preparation of post-implementation documentation by contractors and ASPs (as it would for any other documents), and should not be required to prepare this documentation itself where it is not responsible for implementing an activity.

2 Consultation

The Interim Additional Consultation Requirements for Class 4 and 5 activities require an ANO to take into account any submissions received from government agencies and members of the public when considering the likely impacts of a proposed activity.

The Code contemplates that government agencies and members of the public will have 20 business days from the date of notification or publication of a proposal to make a submission. We therefore request that it be clarified that the obligation in paragraphs 1(c) and 2(b) of Section 2.3.6 of the Code for an ANO to take into account any submissions received, and the obligation in paragraph 1(b) to refer an objection to the Secretary, is limited to a submission or objection received within the 20 business day timeframe.

3 Disclosure

Section 4 of the Code requires the disclosure upon request of Final EIA Documentation, including any document that is adopted as part of a SER or REF, whether formally adopted as an appendix or annexure, or implicitly adopted because the analysis in the SER or REF relies on the document.

Ausgrid's template REF contains references to 45 separate documents, including regulator guidelines and standards. Ausgrid is concerned that these documents could be considered to constitute part of the Final EIA Documentation for an activity, simply because the SER or REF references them.

To address this we request that paragraph 1(c) of Section 4.2 of the Code be amended to clarify that Final EIA Documentation only includes other documents prepared specifically in relation to the activity being assessed e.g. specialist environmental assessments, and does not include guidelines and standards of a general nature.

4 Scope

In relation to section 1.5 we agree with the scope of the Code with the intent for the ANO to continue to undertake determinations under Part 5 for contestable works carried out by ASPs. We believe the Code could be further strengthened, when describing works undertaken on behalf of the ANO. This

should be defined to include development of the ANO's electricity network carried out by a third party contractor or ASP on behalf of a third party.

The ASP Framework applies to work being undertaken on behalf of a 3rd party which upon completion becomes part of the network.

If you would like to discuss any of the matters raised in this submission, please do not hesitate to contact James Hart, Environmental Services Manager on (02) 9394.6659 or jhart@ausgrid.com.au.

Yours faithfully



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Deputy Chief Executive Officer