



# ICRC

independent competition and regulatory commission

## Utility Licence Annual Report 2016–17

### Electricity transmission services

*TransGrid*

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## Instructions for completing the Utility Licence Annual Report

### Completing the templates:

- 1 In most cases a response of 'yes', 'no', 'not-applicable' or a number will suffice. An explanatory statement or supplementary information (e.g. copies of policies or procedures or a link to material on the internet) may also be attached.
- 2 If the licensee response represents a marked departure from previously reported performance or from industry norms, information is to be provided on the cause(s) of the departure. Any supplementary information can be provided in the "Comments" column, or in an attachment.
- 3 All responses provided should relate to services provided in the ACT. Where this is not possible, the licensee should advise to which jurisdictions the information relates.
- 4 If the licensee is not able to provide the data or answer required in this template, the licensee should indicate 'not available' and provide supplementary information detailing whether and when it intends to collect this data (or to answer the question). Where data is not available the licensee should provide any other data it has that could serve essentially the same purpose as the data requested (i.e. data that could equally indicate the level of licensee compliance and identify possible causes of non-compliance).
- 5 Please clearly indicate where material provided is confidential and not for general public release.
- 6 Details are to be provided for the 2016–17 financial year only.



**Tip** : Press Alt-Enter to start a new line in a cell.

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## About the Utility Licence Annual Report

Under section 25(2)(d) of the *Utilities Act 2000* (Utilities Act), utilities are required to report to the Independent Competition and Regulatory Commission (Commission) annually on the exercise of their functions under the statute and their compliance with licence conditions. Reports are on a financial year basis and must be submitted to the Commission within three months of the end of that year (i.e. by 1 October). The reported information forms the basis for the Commission's monitoring report for licensed utility service providers. A summary of the monitoring report is published each year in the Commission's annual report.

This template questionnaire sets out requirements of the Commission in relation to the annual report under subsection 25(2)(d) of the Utilities Act that licensed utilities must provide to the Commission.

**Section 1: Exercise of functions under the *Utilities Act 2000*.** This section sets out questions in relation to functions that the utility may or must perform under the Utilities Act.

**Section 2: Utility licence conditions.** This section sets out questions in relation to specific requirements in the utilities licence.

**Section 3: Authorising and Contact Officers.** This section requires details of both officers with the authorising officer to sign.

- 
- supervised at site (standbys)?



## 1.1 Exercise of functions under the *Utilities Act 2000*

### Performance of networks

Reporting requirement	Response	Please provide a brief explanation of the figures where there has been a reasonable variance from the previous year.
<b>Performance of network operations (Division 7.3)</b>		
In 2016–17, how many times did the licensee enter landholders' property to undertake network operations?	41	Number has been calculated from our works scheduling system as a count of all operational and maintenance activities (corrective and preventive) in the ACT that involved TransGrid field staff accessing ACT land.
<b>Damage etc. to be minimised (Section 108)</b>		
What strategies does the licensee have in place to minimise inconvenience, detriment and damage to landholders' property resulting from network operations?	A Minor Environmental Impact Assessment (EIA) is carried out for all works. Strict environmental controls are followed as per the EIA. A large number of lines around the Canberra area are inspected from the ground rather than aerials. Access is strategically progressed during dry periods or in lighter vehicles.	
In 2016–17, did the licensee receive complaints about any inconvenience, detriment or damage to landholders' property resulting from network operations?	No	
If so, how many complaints did the licensee receive about any inconvenience, detriment or damage to landholders' property resulting from network operations?	NA	
<b>Provision of notice to land-holders to undertake network operations (Sections 109)</b>		
In 2016–17, before the utility began network operations in relation to public land or private land, did the licensee fail in any instances to give the landholder seven days notice of the proposed operations?	No	
If so, how many times did the licensee fail to give notice?	N/A	
Did the licensee carry out any operations in urgent circumstances under section 109(5)?	No	
If so, provide details and numbers of the incidents.	N/A	
<b>Notice about lopping trees etc. on private land (Section 110)</b>		
In 2016–17, before the utility began network operations that involved activities as set out in sections 110(1)(a) to (c) (tree related activities), did the licensee fail to give at least seven days notice before operations began?	No	
If so, how many times did the licensee fail to give notice?	N/A	
Did the licensee carry out any tree related activities in urgent circumstances under section 110(8)?	No	
If so, provide details and numbers of the incidents.	N/A	
<b>Network operations affecting heritage significance (Section 110A)</b>		
In 2016–17, did the licensee conduct any network operations under notices given under sections 109 and 110 that may have affected a place or object registered, or nominated for provisional registration, under the Heritage Act 2004?	No	

If so, how many times did the licensee give a copy of the notice to the heritage council?	N/A	
Did the licensee give a copy of the notice at least seven days before operations began to the heritage council each time?	N/A	
If not, provide details as to why not for each time.	N/A	
Did the licensee carry out any network operations in urgent circumstances that may have affected a place or object registered, or nominated for provisional registration, where section 110A(2) was relied on to carry out the operations?	No	
If so, provide details and numbers of the incidents.	N/A	

**Notice to other utilities (Section 111)**

In 2016–17 did the licensee receive complaints for failing to give seven days notice to other utilities before performing network operations on their land that potentially affected network facilities under the care and management of those utilities? <sup>1</sup>	No	
If so, how many complaints did the licensee receive?	N/A	
Did the licensee carry out any network operations in urgent circumstances under section 111(6)?	No	
If so, provide details and numbers of the incidents.	N/A	

**Removal of utility's property and waste (Section 112)**

What strategies does the licensee have in place that assists it in fulfilling its obligations under section 112.	All TransGrid's property and waste material is removed from site, unless requested by the property owner, in accordance with the environmental assessment documentation and TransGrid's Environmental Management System procedures and protocols.	
In 2016–17 did the licensee undertake any activities as network operations on land for which it was not the land-holder where it did not, as soon as practicable remove from the land the items listed in section 112(1)?	No	
If so, provide details.	N/A	
In 2016–17 did the licensee receive complaints for failing to remove as soon as practicable from the land any items listed in section 112(1).	No	
If so, how many complaints did the licensee receive?	N/A	

**Land to be restored (Section 113)**

What strategies does the licensee have in place that assists it in fulfilling its obligations under section 113.	Any damage to the land, site and access tracks are repaired to the property owner's requirement, in accordance with the environmental assessment documentation and TransGrid's Environmental Management System procedures and protocols.	
In 2016–17 did the licensee receive complaints for failing to ensure, as soon as practicable, that the land is restored to the condition it was in before the operations?	No	
If so, how many complaints did the licensee receive?	N/A	

<sup>1</sup> For the purposes of s111 of the Utilities Act, utilities are those licensed under the Utilities Act, carriers or network operators under the *Telecommunications Act 1997* (Cth), and the person or authority responsible for stormwater network or streetlight operations.



**1.2 Exercise of functions under the *Utilities Act 2000***  
General Functions

Reporting requirement	Response	Comment
<b>Authorised people (Division 7.4)</b>		
Were all persons authorised under section 114 (Authorised Persons) issued with photographic identity cards in 2016–17?	Yes.	
Are authorised persons made aware of their obligations and entry restrictions under the Utilities Act?	Yes.	
How are authorised persons made aware of their obligations and entry restrictions under the Utilities Act? Please provide a brief outline of any induction or special training, including whether the training is provided on a regular or ad hoc basis.	Utilities Act obligations are entered in the TransGrid compliance management system and responsibility allocated to the relevant management.	

## 2.1 Utility licence conditions

### General Conditions

Reporting requirement	Response	Comment
<b>Licensee to notify ICRC of any material breaches (Clause 7.2)</b> Were there any material breaches of the licensee's licence or any applicable law, code of practice, directions and guidelines in 2016–17? If yes, was the ICRC notified of the breaches as soon as practicable?	No NA	
<b>Licensee to provide statement on any non-compliance (Clause 7.3)</b> Did the licensee provide to the ICRC any statements of non-compliance with its obligations under clause 6.2 of its licence to comply with the Utilities Act, industry codes, technical codes, directions from the ICRC or the Technical Regulator or any applicable ring-fencing requirements? If yes, provide details or a cross reference to where these matters are discussed elsewhere in this report.	Yes As notified to the Commission on TransGrid's letter of 12 December 2016, TransGrid acknowledged that it did not comply with the annual determination of the Commission on TransGrid's annual licence fee and its payment due date. TransGrid's letter also advised on process improvements implemented to stop a reoccurrence of this non-compliance.	
<b>Availability of Utility Licence Annual Report (Clause 7.5)</b> Was a summary of the 'Utility Licence Annual Report' (ULAR) for 2015-16 made publicly available by the Licensee? <b>(NOTE: This requirement specifically refers to the ULAR only, not the General Annual Report of the licensee. Whilst a summary of ULAR is required, the licensee may also make the entire ULAR publically available. Making the summary of a ULAR (or entire ULAR) publically available means placing the ULAR in a public space such as the utility's website, or making a clear and easily accessible statement on the website as to where a summary of the ULAR may be easily accessed. Simply providing a summary to a member of the public when requested and not being clear and explicit about the existence of the summary up front is not regarded as making the summary publically available).</b> Please provide a link to the publicly available ULAR or a publicly available summary of the ULAR, or link to a clear and easily accessible statement on the website as to where a summary of the ULAR may be easily accessed.	Yes. <a href="https://www.transgrid.com.au/news-views/publications/Documents/Utility%20Licence%20Annual%20Report%2015-16_TransGrid.pdf">https://www.transgrid.com.au/news-views/publications/Documents/Utility%20Licence%20Annual%20Report%2015-16_TransGrid.pdf</a>	
<b>Operation and compliance audits (Clause 7.6)</b> Provide details of how the licensee has, from time to time, undertaken audits of the services and operations authorised under its licence and of its compliance with its obligations under the licence and any law, code of practice, direction and guideline that it is to comply with under clause 6.2.	TransGrid has a Corporate Compliance Framework to enable the appropriate management of its compliance obligations across its operations. TransGrid's compliance audits are primarily based around its key management systems (Health and Safety, Environment, Asset Management and Quality). In addition, a Corporate Risk and Compliance function that monitors compliance through independent reviews to challenge and improve compliance performance. The combination of these is considered to provide satisfactory coverage of its operations in the ACT.	

Were the audits conducted by an independent expert or auditor nominated by the Licensee and approved by the Commission?	No
Were the audit results reported in a manner approved by the Commission?	NA

#### Technical and prudential criteria (Clause 8)

The licensee must, throughout the term of its licence, continue to satisfy the same technical and prudential criteria that it was required to meet as a condition of being granted the licence. Please provide a summary of details of the licensee's financial, technical and other capacity for 2016–17 which show it can continue to provide the services authorised in the licence.<sup>1</sup>

TransGrid continues to meet the broad technical and prudential criteria as submitted in its licence application. The following information should be noted for 2016-17:

- There is no significant change to TransGrid's financial capacity that would place TransGrid's capacity to meet licence obligations at risk.
- TransGrid's financial statements for 2016-17 have been externally audited and no issues were raised that materially impact TransGrid's financial capacity.

Frameworks and Systems addressing TransGrid's Technical Criteria include Compliance Framework, Risk Management Framework, ISO 55001 Asset Management System certification, Electricity Network Safety Management System.

#### Charge and Assignment (Clause 10)

A Licensee must keep the Commission informed of all relevant changes in the ownership of the Licensee.

Were there any significant transfers in shareholdings (involving more than 50% of the shares) or changes in ownership in 2016–17?  
If so, please provide details.

No  
NA

<sup>1</sup> A copy of the Commission's technical and prudential criteria (Guideline) is available at <http://www.icrc.act.gov.au/utilities-licensing/licence-applications-surrenders-variations-and-revocations/>



## 2.2 Utility licence conditions

### Additional licence conditions (schedule 1)

Reporting requirement	Response	Comment
<p><b>Additional Utility Service Licence Conditions (Schedule 1)</b></p> <p>Please provide a summary (or link to documents) of the licensee's adherence to, or implementation of, this schedule.</p>		<p><b>Summary of the Asset Management System:</b></p> <ul style="list-style-type: none"> <li>• TransGrid has and maintains an asset management system that is consistent with the requirements of ISO55001.</li> <li>• TransGrid's asset management system has been independently certified by appropriately qualified entity to be consistent with ISO55001 requirements.</li> <li>• While TransGrid achieved certification to ISO55001 in Nov 2014, it maintained this certification during 2016-17.</li> <li>• TransGrid's asset management system is fully implemented and all relevant activities are carried out in accordance with this system.</li> </ul> <p><b>Summary of the Environmental Management System:</b></p> <ul style="list-style-type: none"> <li>• TransGrid has and maintains an environmental management system that is consistent with ISO14001 requirements.</li> <li>• TransGrid's environmental management system has been independently certified by appropriately qualified entity to be consistent with ISO14001 requirements.</li> <li>• TransGrid maintained this certified system in a fully implemented manner during 2016-17.</li> <li>• TransGrid completed environmental management activities during 2016-17 in accordance with this system.</li> </ul>

## Authorising officer

The licensee's officer authorising the release of this information for electricity transmission is:

Name: Lance Wee

Signature: 

Title/position in organisation: Manager Asset Management

## Contact officer:

The licensee's primary contact officer for regulatory and compliance issues for electricity transmission is:

Name: Andrew McAlpine

Title/position in organisation: Asset Performance and Systems Manager

Postal address: 200 Old Wallgrove Road

Telephone: (02) 9284 3000

Email: [Andrew.McAlpine@transgrid.com.au](mailto:Andrew.McAlpine@transgrid.com.au)