



Annual compliance reporting

Electricity networks reporting manual

July 2022

Energy >>

Energy Networks Regulation Committee Members

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The Independent Pricing and Regulatory Tribunal (IPART)

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).

Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders, past, present and emerging.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

Amendment record

Date issued	Amendments made
June 2016 to May 2017	<ul style="list-style-type: none">See previous issues for related amendments.
October 2017	<ul style="list-style-type: none">Separate Reporting Manuals published for reporting requirements.Inserting Chapter 1 – The purpose and status of this reporting manual.Update Appendix B to simplify the reporting requirements and remove outdated reporting requirements.
April 2018	<ul style="list-style-type: none">Inserting sign-off requirements on reports.Minor formatting improvements.
March 2019	<ul style="list-style-type: none">Updated list of Tribunal members.Inserted additional text relating to annual reporting requirements for compliance with Environmental Code of Practice.
July 2019	<ul style="list-style-type: none">Minor formatting improvements.
July 2022	<ul style="list-style-type: none">Updated ENR Committee members and staff member.Amended Schedule A Non-Compliances table headings and footnotes.Other minor grammar and formatting improvements.

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1 The purpose and status of this reporting manual

Reporting Manuals issued by IPART set out the reporting requirements for electricity network operators (network operators).

Licence conditions for the licensed electricity network operators require that the licence holder complies with any Reporting Manuals issued by the Tribunal^a. Although no regulatory requirement to comply with a Reporting Manual exists for non-licensed electricity network operators, IPART expects that all electricity network operators will comply with the Reporting Manuals where applicable to their specific reporting obligations. Each Reporting Manual may not apply to all licence holders, and this is specified where relevant.

The reporting requirements specified in these Reporting Manuals do not replace any requirements identified in licence conditions, legislation, statutory instruments or codes that apply to electricity network operators. Compliance with Reporting Manuals is required in addition to, not in substitution for, compliance with other applicable obligations.

The information gathered through the reporting requirements outlined in this document will allow IPART to:

- determine whether electricity network operators are consistently and effectively meeting statutory obligations
- identify immediate risks and long term trends
- identify trends that signify emerging issues across the industry with a view to developing safety measures or supporting industry safety initiatives where appropriate.

IPART will review and amend this Reporting Manual from time to time, including where there are changes to statutory requirements and licence conditions.

IPART has also issued Audit Guidelines to guide network operators on how to maintain compliance with their obligations.^b

^a The licences of Ausgrid, Endeavour Energy, Essential Energy and Transgrid are available on our website, here: <https://www.ipart.nsw.gov.au/Home/Industries/Energy/Energy-Networks-Safety-Reliability-and-Compliance/Electricity-networks/Licence-conditions-and-regulatory-instruments>

^b More information about our audit process, including our Audit Guidelines is available on our webpage: <https://www.ipart.nsw.gov.au/Home/Industries/Energy/Energy-Networks-Safety-Reliability-and-Compliance/Electricity-networks/Electricity-Networks-Auditing>

2 Annual compliance reporting

IPART monitors and assesses licence holders' compliance with licence conditions and other legislated obligations and reports annually to the Minister on the extent to which the licence holders meet their licence obligations^c.

The reporting requirements outlined in this document apply to Ausgrid, Endeavour Energy, Essential Energy and Transgrid (licence holders).

Licence holders are required to furnish information to IPART to enable IPART to determine whether or not the licence holders are complying with their licence conditions.

2.1 Annual Compliance Report

Each licence holder is required to submit a report on its compliance performance during the 12 months ending 30 June in that year.

This report is exception-based, meaning that only non-compliances with the licence conditions and other legislative obligations are to be reported.

2.1.1 Timing and lodgement

The annual compliance report is due to IPART no later than 31 August each year, or at an alternate date approved by IPART. Licence holders must lodge the annual compliance report by email to energy@ipart.nsw.gov.au, including contact details (phone, email) of the primary contact as well as an alternative contact for those times when the primary contact is unavailable.

2.1.2 Content of the report

In the annual compliance report, licence holders are required to report any non-compliance against obligations prescribed in the:

- *Electricity Supply Act 1995* (NSW)
- Licence holder's licence
- *NSW Code of Practice for Authorised Network Operators* (the Code)^d.

For each non-compliance, licence holders must include details of:

- the extent and nature of the non-compliance including whether and how many customers and/or other licence holders are affected
- the reasons for the non-compliance
- the actions taken, or proposed, to rectify the non-compliance and to prevent it reoccurring

^c As required under section 88 of the *Electricity Supply Act 1995* (ES Act).

^d The Code is applicable only to Transgrid, Ausgrid and Endeavour Energy.

- the anticipated date of full compliance and the state of the remedial action as of 30 June of the reporting year.

The licence holder must include a statement of compliance to be signed by:

- the Chair of the Board of Directors of the licence holder or a duly authorised Board Member of the licence holder, and
- the CEO or equivalent (e.g. Managing Director if there is no CEO). Where the CEO (or equivalent) has delegated this responsibility, IPART may request evidence of the delegation.

Appendix A provides a pro forma for the annual compliance report.

Appendices



A Annual Compliance Report pro forma

Annual Compliance Report for 20__

Submitted by *[Name of licence holder]* ACN: *[insert ACN]*

To: The Chief Executive Officer
Independent Pricing and Regulatory Tribunal of NSW
PO Box K35
Haymarket Post Shop NSW 1240

[Name of licence holder] reports as follows:

1. This report documents compliance during *[financial year]* with all obligations to which *[Name of licence holder]* is subject by virtue of its Transmission Operator or Distribution Network Service Provider Licence.
2. This report has been prepared by *[Name of licence holder]* with all due care and skill in full knowledge of conditions to which it is subject and in compliance with IPART's current *Electricity Networks Reporting Manual - Annual compliance reporting*.
3. Schedule A provides information on all obligations with which *[Name of licence holder]* did not fully comply during *[financial year]*.
4. Other than the information provided in Schedule A, *[Name of licence holder]* has complied with all conditions to which it is subject.

Signed:

Signed:

Name:

Name:

Designation:

Designation:

Date:

Date:

Note - Signatories must be:

- *the Chair of the Board of Directors of the licence holder or a duly authorised Board Member of the licence holder, and*
- *the CEO or equivalent (e.g., Managing Director if there is no CEO). Where the CEO (or equivalent) has delegated this responsibility, IPART may request evidence of the delegation.*

Table A.1 Non-Compliances^{a,b}[illegible]

a. Any non-compliances against the Critical Infrastructure licence conditions which have been identified by the network operator, should be reported in Table A.1. All non-compliances, including non-compliances identified by an auditor after Table A.1 has been completed, should be reported in an audited report to the Tribunal by 30 September.

c. Licence holders should indicate whether the breach occurred in the first half of the financial year, the second half of the financial year, or any other relevant period including periods during which different sets of licence conditions were in force.

- a description of the non-compliance
- the nature and extent of the non-compliance including outcomes and risks
- the reasons for non-compliance
- the actions taken, or proposed, to rectify the non-compliance and to prevent it reoccurring
- the actual/anticipated date of full compliance
- the state of the remedial action as of 30 June, and
- any other relevant information.

B Licence holder reporting obligations

Table B.1 List of the licence holder reporting obligations

Applicable to	Licence Condition and obligation	Name of reporting requirement
All	ES Act ^a Schedule 2, cl 6A	Environmental assessment obligations - compliance
Distributors	ES Act section 16	Retail market - network operations
Distributors	ES Act section 63D(3) and MOR ^b (B2B) cl 6(a)	Market operations rules – systems and processes
Distributors	ES Act section 63D(3) and MOR (B2B) cl 6(b)	Market operations rules – formatted data transfer
Distributors	ES Act, section 63Y(1)	Provision of information on underground power lines
Distributors	ES Act section 96C(a)	Approved ombudsman scheme - membership
Distributors	ES Act section 96C(b)	Approved ombudsman scheme – disputes
Distributors	ES Act Schedule 6, Part 4, cl 23(4)	Distributor – retail supplier's licence
Distributors	ES (General) Reg ^c cl 22(2)	Social programs for Energy Code
Ausgrid	Current licence	Refer to licence
Endeavour Energy	Current licence	Refer to licence
Essential Energy	Current licence	Refer to licence
Transgrid	Current licence	Refer to licence
Transgrid, Ausgrid, Endeavour Energy	The <i>NSW Code of Practice for Authorised Network Operators</i> , issued by the NSW Department of Planning and Environment, September 2015	Refer to the Code

a. ES Act – *Electricity Supply Act 1995* (NSW)

b. MOR – Market Operations Rule

c. ES (General) Reg – *Electricity Supply (General) Regulations 2014* (NSW)

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