



**ABN 85 082 464 622**

# MANAGEMENT STRATEGY BUSHFIRE MITIGATION

DOCUMENT NUMBER: NW-#30146570-V2C

DATE: 22 FEBRUARY 2011

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REV NO.	DATE	REVISION DESCRIPTION	APPROVALS	
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## 1. PURPOSE

The purpose of this document is to outline the strategy guiding Aurora's program of bushfire mitigation in accordance with legislative requirements, stakeholder expectations and good electricity industry practice.

## 2. SCOPE

This strategy applies to all activities related to building, owning, operating and maintaining Aurora's distribution network assets in High and Very High Fire Danger areas within Tasmania with the exception of the Bass Strait Islands.

This strategy makes reference to other plans, manuals, standards, policies, procedures and work instructions that covers all of the activities that contribute to the reduction of bushfire risk.

## 3. BACKGROUND

Aurora Energy is Tasmania's largest electricity distributor and retailer. Aurora manages a network of more than 22,000 km of high and low voltage overhead powerlines, upon which Tasmanian's have a very high dependency for contemporary living, wellbeing and business.

Aurora's distribution network supplies electricity to over 277,000 customer installations across 68,000 square kilometres in Tasmania. Over 90% of the distribution network consists of bare overhead high voltage (HV) and low voltage (LV) conductor, which cross a variety of terrains varying from built up urban areas through to cultivated farm land and bush.

The distribution network has approximately 15,000 km of overhead high voltage powerlines, 5,000km of overhead low voltage powerlines, 30,000 ground and pole mounted substations and 220,000 poles (reference 2). There are also approximately 40,000 privately owned poles that Aurora has a duty of care to inspect.

Like all overhead electricity distribution networks in fire prone countries like Australia, Aurora's network assets have varying degrees of vulnerability to bushfires.

Further, in southeastern Australia, electricity distribution network assets have in the past been implicated in causing some major fire events during severe weather conditions (notably the recent Black Saturday bushfires in Victoria), with most significant public safety, litigation, financial, and reputation risks arising.

Aurora is responsible for implementing a Bushfire Mitigation Management Strategy that ensures the risks from electricity distribution in relation to bushfire are mitigated in a way that is cost effective, and consistent with industry standards.

In addition, following the Victorian Bushfire Royal Commission outcomes Aurora is implementing additional systems and processes to support the strategy, and implementation of the plan.

## 4. LEGISLATION

Key Legislation that requires Aurora to implement programs relating to Bushfire Mitigation includes:

1. Electricity Supply Industry (ESI) Act 1995;
2. Electricity Industry Safety and Administration (EIS&A) Act 1997; and
3. Tasmanian Electricity Code (TEC).

### 4.1 Electricity Supply Industry Act 1995

The Electricity Supply Industry (ESI) Act exists to:

1. Promote efficiency and competition in the electricity supply industry;
2. Establish and maintain a safe and efficient system of electricity generation, transmission, distribution and supply;
3. Establish and enforce proper standards of safety, security, reliability and quality in the electricity supply industry; and
4. Protect the interests of consumers of electricity.

The Act covers safety aspects at a fairly high level and is implicit regarding bushfire risks.

### 4.2 Electricity Industry Safety and Administration Act 1997

The Electricity Industry Safety and Administration (EIS&A) Act exists to establish safety standards for electrical articles, to provide for the investigation of accidents in the electricity industry and for related purposes.

The EIS&A Act covers:

1. Powers of entry and inspection;
2. Powers to order rectification;
3. Powers to order disconnection; and
4. Emergency powers.

### 4.3 The Tasmanian Electricity Code (TEC)

The Tasmanian Electricity Code (TEC) provides, inter alia, a statement of the relevant technical standards of the electricity supply industry, an access regime to facilitate new entry, guidance on price setting methodologies, a means of resolving disputes that may arise and establishes advisory committees to assist the Regulator. There has been on-going development and refinement of the TEC to ensure that it best meets the needs of the Tasmanian electricity supply industry and customers.

Specifically, Chapter 8A of the TEC includes a framework for the management of vegetation around distribution powerlines. This framework is explicit regarding works requirements and practices in various fire hazard categories.

## 5. STRATEGIC ALIGNMENT

Effective bushfire mitigation management is a key component of the Network Management Strategy objective:

*To minimise cost of supply to the customer whilst:*

- a. Maintaining network performance;*
- b. Managing business operating risks; and*
- c. Complying with regulatory, contractual and legal responsibilities.*

The Bushfire Mitigation Strategy supports the delivery of these objectives by meeting the regulatory obligations for vegetation management under the TEC, addresses the risks associated with vegetation interaction with the network, fire ignition caused by assets, prudent work practices, and supports improved network performance.

## 6. ASPECTS OF BUSHFIRE IGNITIONS

Distribution businesses across southeastern Australia including Aurora Energy have investigated and documented bushfire ignition sources involving the network.

Principally the following aspects of fire ignition are:

1. Vegetation – Plans and programs that comply with the legislative requirements and minimise the interaction between vegetation and live network conductors;
2. External causes – Including birds and animals interacting with the network;
3. Network assets – Assets create the potential to start a fire as a result of either failure or interaction with their environment;
4. Network design – Considered design standards that minimise the risk of distribution assets starting fire;
5. Work practices – including field practices involved with maintenance and construction of the network; and
6. Network Operation – where the fault operation of protection devices is adjusted to minimise the possibility of ignition.

Aurora addresses these aspects in the controls and responsibilities documented in the various management plans, manuals, policies, procedures and guidelines.

## 7. BUSHFIRE MITIGATION OBJECTIVES

The objectives of the Bushfire Mitigation Management Strategy are to:

1. Ensure compliance with regulatory requirements, in particular Chapter 8A of the TEC, ensuring the minimum standards and practices are delivered;
2. Ensure appropriate risk mitigation measures are in place to minimise the likelihood of distribution assets starting fires, including standards, reporting and rectification programs;

3. Deliver an annual bushfire mitigation program to identify and rectify any risks through each fire season, including working closely with our customers; and
4. Ensure activities undertaken by Aurora staff and contractors, and by the operation of the network minimise the likelihood of distribution assets starting fires.

## 8. MONITORING, REPORTING AND AUDITING

### 8.1 Liaison with External Parties

Aurora ensures that there is a close working relationship with other agencies to support initiatives and actions associated with bushfire preparedness and to generally improve its bushfire mitigation management capability.

### 8.2 Fire Start Reporting

Aurora ensures that information about fire starts and bushfire incidents are captured and analysed to determine the effectiveness of the programs, and where opportunities for improvement exist.

### 8.3 Performance Reporting

Aurora communicates its annual bushfire program to the Aurora Executive Team and Board prior to each bushfire season and a review of the effectiveness of the program and areas for improvement takes place at the end of each bushfire season.

### 8.4 Auditing

Program controls such as audits and inspections are routinely performance as a component of the program. Aspects covered include field inspections by Aurora senior management.

## 9. PUBLIC AWARENESS

Aurora engages with the community to assist with its program for bushfire mitigation. In particular communication about the risks that vegetation can create when near the distribution network, and how Aurora can be contacted to investigate potential hazards.

Owners of private network are also reminded of their responsibilities.

## 10. INSURANCE

Aurora must at all times have appropriate insurance to cover the risk of loss associated with fire ignition.

Aurora works closely with both its insurance brokers and underwriters to ensure liability cover is placed appropriately and premiums are minimised.

Aurora periodically undertakes maximum foreseeable loss studies based on the worst-case scenario events to assist in determining levels of cover.

Any changes by necessity to prescribed practices must be referred to the Bushfire Mitigation Manager and submitted to the Aurora Executive Team and the Insurer for endorsement.



## 11. MANAGEMENT STRATEGY MONITORING

A review of this management strategy is conducted where changes to external standards and codes of practice occur, with a complete review prior to each Pricing Determination period.

## 12. RESPONSIBILITIES

Maintenance and implementation of this strategy is the responsibility of the Group Manager - Asset Performance and Information.

Approval of this strategy is the responsibility of the General Manager – Network.

## 13. REFERENCES

1. Tasmanian Electricity Code (Chapter 8A)
2. Aurora Energy 2010 Annual Report
3. CO#10399975 - Aurora Energy Risk Management Framework - HL-RM-002
4. NW-#30065608 - Network Management Strategy
5. NW-#10247841 – Policy - Vegetation Management Near Powerlines NNR EC 04
6. NW-#30165740 - Vegetation Management Strategy
7. NW-#30170189 - Management Plan - Bushfire Mitigation – (Vegetation Programs)
8. NW-#30043347 - Management Plan - Fire Mitigation (Asset Programs)
9. NW-#10265144 - Risk Treatment Management Plan