

# Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021

## Disallowable instrument DI2021–217

made under the

**Utilities (Technical Regulation) Act 2014, section 14 (Technical codes - approval)**

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### 1 Name of instrument

This instrument is the *Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021*.

### 2 Commencement

This instrument commences on the day after its notification.

### 3 Approval

I approve the Gas Safety and Network Operation Code 2021 (the *Code*) as set out in schedule 1.

### 4 Public Access

Electronic copies of the Code are available on the Access Canberra website at <https://www.accesscanberra.act.gov.au/s/article/utilities-technical-regulation-tab-related-resources>. No fee applies to access the Code on the Access Canberra website.

The Code is available for inspection upon request by the public between 8:30am and 4:30pm, from Monday to Friday except for public holidays, at the Access Canberra Land, Planning and Building Services Shopfront at 8 Darling Street, Mitchell. Please contact the Shopfront on the details below for more information:

Phone 6207 1923

Email: [acepdcustomerservices@act.gov.au](mailto:acepdcustomerservices@act.gov.au)

### 5 Revocation

This instrument revokes the Gas Safety and Operating Plan Code (December 2000).

Shane Rattenbury MLA  
Minister for Water, Energy and Emissions Reduction

28 August 2021

## Australian Capital Territory



# **GAS SAFETY AND NETWORK OPERATION CODE**

A technical code made under section 14 of the  
*Utilities (Technical Regulation) Act 2014*

**July 2021**

## TABLE OF CONTENTS

<b>1</b>	<b>INTRODUCTION .....</b>	<b>1</b>
1.1	TECHNICAL CODES .....	1
1.2	COMPLIANCE WITH THIS CODE.....	1
<b>2</b>	<b>APPLICATION AND PURPOSE OF THIS CODE.....</b>	<b>1</b>
2.1	APPLICATION.....	1
2.2	PURPOSE.....	1
<b>3</b>	<b>DICTIONARY .....</b>	<b>1</b>
<b>4</b>	<b>LEGISLATIVE FRAMEWORK.....</b>	<b>1</b>
4.1	RELATED LAWS AND REGULATIONS .....	1
4.2	RELATED TECHNICAL CODES .....	1
4.3	APPLICABLE STANDARDS .....	2
<b>5</b>	<b>OBLIGATIONS FOR SAFETY AND RELIABLE OPERATION OF GAS UTILITIES .....</b>	<b>2</b>
5.1	PRIMARY OBLIGATIONS.....	2
5.2	ADDITIONAL OBLIGATIONS .....	2
<b>6</b>	<b>SAFETY AND OPERATING PLAN .....</b>	<b>3</b>
6.1	SAFETY AND OPERATING PLAN.....	3
6.2	REQUIREMENTS FOR A SAFETY AND OPERATING PLAN ADDITIONAL TO STANDARDS .....	3
<b>7</b>	<b>INITIAL SAFETY AND OPERATING PLAN .....</b>	<b>4</b>
7.1	LODGEMENT.....	4
7.2	APPROVAL.....	4
7.3	AMENDMENT .....	4
7.4	IMPLEMENTATION .....	5
<b>8</b>	<b>APPROVED SAFETY AND OPERATING PLAN.....</b>	<b>5</b>
8.1	LOCATION OF SAFETY AND OPERATING PLAN.....	5
8.2	AWARENESS.....	5
8.3	SAFETY AND OPERATING PLAN REVIEW.....	5
8.4	APPROVAL.....	5
8.5	AMENDMENT .....	6
8.6	COMPLIANCE.....	6
<b>9</b>	<b>AUDIT OF SAFETY AND OPERATING PLAN.....</b>	<b>6</b>
9.1	AUDITOR NOMINATION .....	6
9.2	AUDITOR QUALIFICATIONS.....	6
9.3	CHANGE TO NOMINATED AUDITOR.....	6
9.4	CERTIFICATION.....	6

9.5 PERIODIC AUDITS .....7

**10 REPORTING ..... 7**

10.1 COMPLIANCE.....7

10.2 ANNUAL REPORTS.....7

10.3 AD HOC REPORTS .....8

10.4 URGENT REPORTS .....8

**DICTIONARY..... 9**

## 1 INTRODUCTION

### 1.1 Technical Codes

- 1) The Gas Safety and Network Operation Code (the Code) is a Technical Code made under Part 3 of the *Utilities (Technical Regulation) Act 2014* (the Act).
- 2) Under section 14 of the Act, the Minister has approved the Code as recommended by the Technical Regulator.

### 1.2 Compliance with this Code

- 1) If this Code applies to a utility and the utility fails to comply with this Code the offence provision under section 16 of the Act may apply.

## 2 APPLICATION AND PURPOSE OF THIS CODE

### 2.1 Application

- 1) This Code applies to a utility licensed to provide gas distribution services and/or gas transmission services within the Australian Capital Territory (ACT).

### 2.2 Purpose

- 1) The purpose of this Code is to ensure the safe and reliable design, construction, maintenance and operation of gas networks in delivering gas to customers.
- 2) A key requirement in achieving this purpose is conformance with AS/NZS 4645 with respect to gas distribution and AS/NZS 2885 with respect to gas transmission including the creation of and conformance with a Safety and Operating Plan or Pipeline Management System that is approved under this Code together with the Formal Safety Assessment or Safety Management Study undertaken in conformance with AS/NZS 4645 and AS/NZS 2885.

## 3 DICTIONARY

- 1) The dictionary at the end of this Code is part of this Code.

## 4 LEGISLATIVE FRAMEWORK

### 4.1 Related laws and regulations

- 1) This Code operates pursuant to or alongside the following legislation:
  - (a) *Utilities (Technical Regulation) Act 2014*
  - (b) *Utilities Act 2000*
  - (c) *Gas Safety Act 2000*
  - (d) Gas Safety Regulation 2001

### 4.2 Related Technical Codes

- 1) This Code operates alongside the following Technical Codes:
  - (a) Gas Network Boundary Code

- (b) Gas Service & Installation Rules Code
- (c) Gas Metering Code
- (d) Emergency Management Plan Code

## 4.3 Applicable Standards

- 1) A utility is required where relevant, to conform at a minimum with the following Standards under this Code:
  - (a) AS/NZS 4645 Gas distribution networks
  - (b) AS/NZS 2885 Pipelines gas and liquid petroleum
  - (c) AS 4564 Specification for general purpose natural gas
- 2) Where this Code requires a standard to a higher level than required by a Standard, the utility is required to meet this Code.

## 5 OBLIGATIONS FOR SAFETY AND RELIABLE OPERATION OF GAS UTILITIES

### 5.1 Primary obligations

- 1) A utility must manage the design, construction, operation and maintenance of the gas network to ensure the safe, reliable and efficient supply of gas.
- 2) A utility must ensure the gas infrastructure, including the design, construction, operation and maintenance of the gas infrastructure, must conform with:
  - (a) AS/NZS 4645 Gas distribution networks
  - (b) AS/NZS 2885 Pipelines gas and liquid petroleum
  - (c) AS 4564 Specification for general purpose natural gas

### 5.2 Additional obligations

- 1) A utility must comply with the following obligations in addition to those in section 5.1.
- 2) A utility licensed to distribute gas through a gas distribution network must communicate information to customers about ownership of the meter assembly and the customer's obligations with respect to:
  - (a) location and maintenance of the gas connection and meter assemblies;
  - (b) measures to maintain public and worker safety;
  - (c) prevention of obstruction or diversion of gas supply;
  - (d) avoidance of interference with gas supply to other customers; and
  - (e) security of the gas meter assembly.
- 3) A utility must in undertaking its validation workshops for its annual or major event driven Formal Safety Assessments in respect of AS/NZS 4645 or its Safety Management Studies in respect of AS/NZS 2885:
  - (a) Commission an independent expert to act as facilitator of its validation workshops; and
  - (b) Invite the Technical Regulator (who may delegate to representative and/or a subject matter expert) and Stakeholders to observe and participate in the validation workshops. The utility must give the Technical Regulator and Stakeholders no less than 20 business days' notice of the Formal Safety Assessment or Safety Management Study workshops.

- 4) The utility must nominate a Chief Technical Officer. Where the Chief Technical Officer is an officer of an organisation contracted to perform asset management on behalf of the utility, the utility must also nominate an employee who is to be the Principal Contact Officer for the utility.
- 5) A utility must produce a Safety and Operating Plan in conformance with the requirements of section 6.

## **6 SAFETY AND OPERATING PLAN**

### **6.1 Safety and Operating Plan**

- 1) A utility must produce a Safety and Operating Plan in conformance with the requirements in AS/NZS 4645 and for Pipeline Management Systems in conformance with the requirements in AS/NZS 2885.
- 2) A utility's Safety and Operating Plan that is prepared in conformance with AS/NZS 4645 and the requirements in for Pipeline Management Systems in AS/NZS 2885 must also conform to the obligations set out in section 5 of this Code.
- 3) For the purposes of this Code, where the Gas Network includes segments that are subject to AS/NZS 2885, instead of AS/NZS 4645, the Pipeline Management System created in conformance with AS/NZS 2885 will be taken to be a Safety and Operating Plan for the purposes of the Code and the Safety Management Study prepared in conformance with AS/NZS 2885 will be taken to be the Formal Safety Assessment for the purposes of this Code.

### **6.2 Requirements for a Safety and Operating Plan additional to Standards**

- 1) A utility's Safety and Operating Plan must also include the following additional requirements:
  - (a) The objectives of the Safety and Operating Plan must include an objective of ensuring the safe and reliable operation and maintenance of a gas network to which it relates, including the gas quality standards and gas pressure standards for gas conveyed through the network.
  - (b) A Safety and Operating Plan must include plans and procedures for communicating and liaising effectively with Stakeholders in accordance with AS/NZS 4645 and AS/NZS 2885. Such plans and procedures in addition to those matters set out in AS/NZS 4645 and AS/NZS 2885 must include:
    - i. Provision of information about gas network protection for Stakeholders that may impact the integrity and safe operation;
    - ii. Notification about all gas network activity including construction, maintenance and operations activities that may impact Stakeholders;
    - iii. Customer information in accordance with 5.2(2).
  - (c) A Safety and Operating Plan must include procedures and processes in respect of notification and reporting of incidents, both within the utility's organisation and to the Technical Regulator including the requirements of sections 10.2 and 10.3 of this Code.
  - (d) A Safety and Operating Plan must be approved by the Chief Technical Officer and the utility's Chief Executive Officer.
  - (e) Where the utility is required to conform to AS/NZS 4645, it must include in its Safety and Operating Plan, in conforming with AS/NZS 4645, performance indicators as set out in Appendix K of AS/NZS 4645 (or any successor Appendix) unless:

- i. The utility has demonstrated to the Technical Regulator that there are good reasons to replace a performance indicator with an alternative performance indicator and the alternative performance indicator has been accepted by the Technical Regulator; or
  - ii. The Technical Regulator has identified alternative or additional performance indicators which it has demonstrated there are good reasons to adopt.
- (f) In determining whether there are good reasons to adopt alternative or additional performance indicators the Technical Regulator must be consistent with the purpose of this Code.
- (g) Where the utility is required to conform to AS/NZS 2885, it must include in its Pipeline Management System or Safety and Operating Plan, in conforming to AS/NZS 2885.3, relevant performance indicators. The utility must propose to the Technical Regulator a set of performance indicators, which the Technical Regulator must either approve or require amendments or additions. In determining whether there are good reasons to adopt alternative or additional performance indicators the Technical Regulator must be consistent with the purpose of this Code.
- (h) Where the utility is required to conform to AS/NZS 4645, it must, in developing consumer and public awareness communication required under AS/NZS 4645, take Appendix E of AS/NZS 4645 into account in designing the information to be communicated.

## 7 INITIAL SAFETY AND OPERATING PLAN

### 7.1 Lodgement

- 1) A utility must lodge proposed Safety and Operating Plan to the Technical Regulator for approval within 6 months from the date:
  - (a) of this Code; or
  - (b) when a licence to distribute gas through a gas network is granted under the *Utilities Act 2000*; or
  - (c) another time approved by the Technical Regulator.

### 7.2 Approval

- 1) The Technical Regulator may approve, or refuse to approve, a proposed Safety and Operating Plan lodged by a utility.
- 2) In approving, or refusing to approve, a proposed Safety and Operating Plan the Technical Regulator must take into account the auditor's certificate and the auditor's report provided pursuant to sections 9.4 and 9.5.
- 3) The Technical Regulator may refuse to approve a proposed Safety and Operating Plan, if the plan fails to meet a requirement of section 6, or if the implementation of the proposed Safety and Operating Plan may give rise, or has given rise, to an unsafe situation.

### 7.3 Amendment

- 1) The Technical Regulator may direct amendment of the proposed Safety and Operating Plan to address matters of non-compliance with section 6 as identified in the auditor's report or matters that may give rise, or has given rise, to an unsafe situation.
- 2) The utility must within 25 business days of receipt of a notice from the Technical



Regulator under section 7.2(3) or 7.3(1) submit a revised proposed Safety and Operating Plan to the Technical Regulator for approval under section 7.2.

## **7.4 Implementation**

- 1) A utility must implement and comply with the proposed Safety and Operating Plan submitted to the Technical Regulator until the Safety and Operating Plan is approved.

## **8 APPROVED SAFETY AND OPERATING PLAN**

### **8.1 Location of Safety and Operating Plan**

- 1) The utility's Safety and Operating Plan is to be available at a nominated secure electronic and/or physical location accessible in the Australian Capital Territory.
- 2) A utility must, on giving the proposed Safety and Operating Plan to the Technical Regulator, notify the Technical Regulator in writing of the nominated location.

### **8.2 Awareness**

- 1) Within 45 business days of the Technical Regulator having approved the Safety and Operating Plan the utility must make the Safety and Operating Plan available to persons likely to be involved in the implementation of the Safety and Operating Plan.

### **8.3 Safety and Operating Plan Review**

- 1) A utility must review its Safety and Operating Plan annually and lodge a new version to the Technical Regulator for approval by 31 March each year.
- 2) Where there is no amendment to the Safety and Operating Plan as a result of the review, the utility must notify the Technical Regulator in writing that it has determined that no amendments are required.
- 3) Where amendments are made to the Safety and Operating Plan as a result of the review, the utility must submit a report detailing each amendment, with the revised version, to the Technical Regulator.
- 4) Where amendments are made to the Safety and Operating Plan outside of the review period, the utility must lodge the revised version with a report detailing each amendment, to the Technical Regulator for approval within 25 business days of making the amendments.
- 5) Each revision of the Safety and Operating Plan must be identified by the date it is effective from and the revision identifier.

### **8.4 Approval**

- 1) The Technical Regulator may approve, or refuse to approve, a revised Safety and Operating Plan lodged by a utility.
- 2) In approving, or refusing to approve, a revised Safety and Operating Plan the Technical Regulator must take into account the auditor's certificate and the auditor's report provided pursuant to sections 9.4 and 9.5.
- 3) The Technical Regulator may refuse to approve a revised Safety and Operating Plan, if the plan fails to meet a requirement of section 6 of this Code, or if the implementation of the revised Safety and Operating Plan may give rise, or has given rise, to an unsafe

situation.

## 8.5 Amendment

- 1) The Technical Regulator may direct amendment of the revised Safety and Operating Plan to address matters of non-compliance with section 6 as identified in the auditor's report or matters that may give rise, or has given rise, to an unsafe situation.
- 2) The utility must within 25 business days of receipt of a notice from the Technical Regulator under section 8.4(3) or 8.5(1) submit a further revised Safety and Operating Plan to the Technical Regulator for approval under section 8.4.

## 8.6 Compliance

- 1) The utility must implement and comply with the approved Safety and Operating Plan.

## 9 AUDIT OF SAFETY AND OPERATING PLAN

### 9.1 Auditor Nomination

- 1) Before the utility lodges its Safety and Operating Plan, under section 7.1 or section 8.3, the utility must engage an auditor approved by the Technical Regulator, by following the process in sections 9.1(2) – 9.1(4).
- 2) The utility must submit to the Technical Regulator in writing its intent to engage a person as an auditor, who meets the criteria in section 9.2 (auditor nomination).
- 3) The Technical Regulator must respond in writing within 28 days from receipt of an auditor nomination confirming either the approval or rejection of the utility's nominated auditor.
- 4) The Technical Regulator may reject an auditor nomination if in its reasonable opinion the auditor does not meet the criteria set out in section 9.2 or if the number of consecutive years for which the auditor has undertaken audits for the utility is such as could reasonably be perceived to, potentially, or actually, compromise the objectivity or independence of the auditor.

### 9.2 Auditor Qualifications

- 1) The utility must include with the auditor nomination the relevant qualifications and experience of the auditor.
- 2) The auditor must:
  - (a) be independent of the utility; and
  - (b) competent to exercise the functions of an auditor for a Safety and Operating Plan.

### 9.3 Change to Nominated Auditor

- 1) A utility may, by written notice to the Technical Regulator, apply to change the auditor, by following the process in sections 9.1(2) – 9.1(4).

### 9.4 Certification

- 1) A utility must ensure a Safety and Operating Plan lodged with the Technical Regulator under section 7.1 or section 8.3 bears a certificate by the auditor (auditor's certificate). The auditor's certificate must certify that a stated version of the Safety and Operating

Plan complies with the requirements in section 6.

## 9.5 Periodic Audits

- 1) The utility must develop a five-yearly plan for its audits. The plan must allocate elements of the Safety and Operating Plan to each of the five years as evenly as is reasonably possible in order for the Safety and Operating Plan to be thoroughly audited every five years. The utility must submit the five-yearly plan to the Technical Regulator each year with the report from the auditor as required in section 9.5(2).
- 2) A utility must submit an annual report from the auditor (auditor's report) to the Technical Regulator by 31 March each year.
- 3) The audit undertaken by the auditor must include:
  - (a) A general system-wide audit of the Safety and Operating Plan and compliance with it in accordance with the five year plan as required in section 9.5(1); and
  - (b) A review of all treated risks rated as "intermediate" in the utility's Formal Safety Assessment (in respect of AS/NZS 4645) or Safety Management Study in respect of AS/NZS 2885;
  - (c) A targeted audit of the aspects of the Safety and Operating Plan for which the utility's Formal Safety Assessment as follows:
    - (i) 1 hazard for which the untreated risk is rated as extreme or greater;
    - (ii) any incident notifiable under the Act.
- 4) The Auditor's report must certify whether or not:
  - (a) the processes and personnel used in undertaking and validating the Formal Safety Assessment have been undertaken in conformance to AS/NZS 4645;
  - (b) that Safety and Operating Plan adequately reflects the outcomes of the Formal Safety Assessment;
  - (c) the Safety and Operating Plan continues to comply with the requirements of section 5 having regard to any changes in the Gas Network since the previous certificate was issued; and
  - (d) the utility conforms with its Safety and Operating Plan.
- 5) The auditor's report and the auditor's certificate must be accompanied by a letter signed by the Chief Technical Officer acknowledging the auditor's report and setting out their initial responses to the findings from the audit. The letter must be endorsed by the Chief Executive Officer of the utility.

## 10 REPORTING

### 10.1 Compliance

- 1) A utility must provide reports to the Technical Regulator as specified in sections 10.2, 10.3 and 10.4

### 10.2 Annual reports

- 1) A utility must submit an annual report each year by 30 September for the 12 months ending 30 June preceding.

- 2) The annual report must provide all of the information and in a format necessary to enable the Technical Regulator to perform its functions under section 78 of the Act.

### 10.3 Ad Hoc Reports

- 1) The Technical Regulator may require that the utility provide Ad Hoc Reports concerning the construction, operation and maintenance of the gas network and matters relating to customers, retailers, other Stakeholders who are affected by the construction, operation and maintenance of the gas network or business or matters that may affect the performance of the network, it considers necessary to satisfy itself about the safety and reliability of the gas network.
- 2) The Technical Regulator must issue a notice to the utility that it requires an Ad Hoc Report. The notice must set out clearly the reason that the Technical Regulator is requiring information, the information that is required and provide a reasonable period for the utility to provide the required information, but not less than 15 business days.
- 3) The utility must provide an Ad Hoc Report, which includes the required information in the time specified in the Technical Regulator's notice.
- 4) If the Technical Regulator determines that the Ad Hoc Report provided in response does not meet the requirements set out in the Technical Regulator's notice it may require the utility to amend its information to meet the requirements set out in its notice.

### 10.4 Urgent reports

- 1) The Technical Regulator may require a utility to provide a report on an urgent basis (Urgent Report), where it has reason to believe that the safety or reliability of the gas network is at risk.
- 2) The Technical Regulator will issue a notice setting out the information to be provided in the Urgent Report and the reasons for requiring it and stating the period of time within which the utility must provide the report. The period of time required by the Technical Regulator must be reasonable in the circumstances or urgency and take into account the time that can be reasonably expected for the utility to prepare the Urgent Report.

## DICTIONARY

- 1) "Act" means the *Utilities (Technical Regulation) Act 2014*.
- 2) "Ad Hoc Report" means a report required by the Technical Regulator pursuant to section 10.2 of this Code.
- 3) "Annual Report" means a report to be provided to the Technical Regulator each Year pursuant to section 10.1 of this Code.
- 4) "Approve" where the words "approve", "approval" or "approved" are used in this Code it means the Technical Regulator is satisfied based on evidence provided by the utility that a submission meets the compliance requirements of the Code. Approval does not imply that the Technical Regulator is approving the details of a submission as being fit for purpose. Responsibility to ensure fitness for purpose always remains with the utility.
- 5) "auditor" means an auditor nominated by the utility and accepted by the Technical Regulator under section 9.1.
- 6) "Chief Technical Officer" means a person who is authorized by the utility to oversee the construction, maintenance and operation of the gas network and is the most senior technical officer responsible for approving the Safety and Operating Plan on behalf of the utility.
- 7) "gas distribution network" has the same meaning as section 10(2) of the *Utilities Act 2000*.
- 8) "gas network" has the same meaning as section 10 of the *Utilities Act 2000*.
- 9) "gas transmission network" has the same meaning as section 10(1) of the *Utilities Act 2000*.
- 10) "ICRC" means the Independent Competition and Regulatory Commission established under section 5 of the *Independent Competition and Regulatory Commission Act 1997*.
- 11) "Minister" means the Minister responsible for administering Division 3.2 of the Act.
- 12) "Principal Contact Officer" means the officer nominated by the utility to be the principal person with whom the Technical Regulator will liaise on behalf of the utility.
- 13) "Safety and Operating Plan" means a Safety and Operating Plan adopted by a utility in accordance with section 6 of this Code.
- 14) "Stakeholder" means an individual, business, or organisation with a material and relevant interest or concern related to the matters covered in this Code.
- 15) "Targeted aspect" means an element of a utility's Safety and Operating Plan.
- 16) "Technical Code" means a code approved or determined by the Minister under part 3 of the Act.
- 17) "Technical Regulator" has the same meaning as in the Act.
- 18) "Urgent Report" means a report required by the Technical Regulator pursuant to section 10.3 of this Code.
- 19) "utility" has the same meaning as in the *Utilities Act 2000*.