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Response to the Review of Queensland's Electrical Safety Act 2002 – key definitions and emerging technologies

AGL Energy (AGL) welcomes the opportunity to provide feedback to the Queensland Government's Response to the Review of Queensland's Electrical Safety Act 2002 – key definitions and emerging technologies, Discussion Paper.

AGL is one of Australia's leading integrated energy companies and one of the largest ASX listed owner, operator, and developer of renewable generation. AGL is also a significant retailer of energy and telecommunications with 4.3 million customer accounts across Australia. AGL is market leader in the development of innovative products and services that enable consumers to make informed decisions on how and when to use their consumer energy resource (CER) assets to optimise their energy load profile and better manage their energy costs. Our current CER product and services include our leading-edge Virtual Power Plant, Peak Energy Rewards demand response program, retail offer for electric vehicle (EV) owners and EV subscription service.

AGL supports the Queensland Government exploring options to address the key issues raised in the Final Report to ensure that the Electrical Safety Act 2002 (the Act) remains fit-for-purpose in a transforming energy system. AGL supports policy reforms which bring Australia closer to a harmonised national electrical safety framework rather than creating further fragmentation between the states, while minimising adverse impacts to the Queensland skilled labour market which is critical to Queensland moving towards a sustainable and renewable energy future.

Our feedback to the Discussion Paper is based on our experience as one of Australia's largest providers of electricity including servicing over 400,000 Queensland electricity customers¹, our portfolio of renewable energy assets, and AGL's ambitions to be net zero for operated Scope 1 and 2 emissions by 2035, with an interim target to add 5 GW of renewables and firming by 2030.2

Topic 1: Electrical safety considerations of new and emerging technologies

In principle, AGL supports the proposal under Option 2 to expand the definitions of electrical equipment and electrical installation to explicitly capture new and emerging technologies. However, we recommend that following the outcomes of both phases of consultation on the Final Report Recommendations, a clear roadmap is developed to demonstrate how each Option and Recommendation put forward in the Discussion Paper and

AGL ESG Data Centre, <u>Customer Energy Services Queensland</u>, FY22.

² AGL's operated Scope 1 and 2 greenhouse gas emissions, as reported under the National Greenhouse and Energy Reporting Act 2007, will reduce to net zero following the closure of all AGL's coal fired power stations, targeted by end FY35.



Final Report will interrelate with each other in the broader Queensland ES framework. As the full suite of recommendations is designed to work in tandem with each other, it is difficult to conceptualise how the reformed framework will operate holistically while the consultation process is divided to first address some components of the Final Report and later, others.

AGL notes, as did the Discussion Paper, that in utilising regulatory or legislative responses, the Queensland Government will have the difficult task of balancing strict electrical licensing requirements to mitigate safety risks, while managing potential skills and labour shortages that could compromise all aspects of the energy transition and its net zero aspirations, including the installation of smart meters, installation and building of renewable energy sources and batteries and new transmission developments. Although we do not consider that reforms to expand the definition of electrical equipment and installation to include new and emerging technologies will contribute to skilled worker scarcity, it will depend on which reform pathway is elected for matters raised under Topics 2 and 3. For example, the proposed legislative responses may have an adverse outcome for the various industries and projects covered.

AGL is also generally supportive of 'Option 3' around awareness and education, to increase understanding of risks and to improve safe work practices at all levels. However, at this stage, there is insufficient detail to articulate how it will be a viable solution to the issues identified in the Final Report. For example, further clarity is needed as to how this information will be circulated down to the granular level and reach all personnel involved in various types of work (e.g., community and unlicenced workers), how effectively will it be received, who will ultimately be held accountable for the quality, reach and monitoring of the awareness/education etc. There are likely some scenarios that would benefit from a combination of the two options (Option 2 and 3).

Topic 2: The changing landscape of electricity and the workforce

The Discussion Paper puts forward four potential solutions (two legislative and two-non legislative) to reduce electrical risks to workers engaged in: locating, fixing, and mounting renewable energy generation and storage technology; laying, cutting, and sealing of underground cables prior to connection; and mechanical cable protection if the channels are not intended to be earthed and wiring installed in the channels is not energised.

AGL does not support Options 2 and 3 (legislative responses) to address potential safety concerns, and although the requirement for direct supervision by a licenced electrical worker, or to have works carried out by a licenced electrical worker are onerous, we do not consider that they would have a meaningful effect on mitigating any potential safety risks posed by these categories of works. Tradespersons involved in these works have other specific certifications and expertise in their respective areas and are therefore best placed to safely carry out these works, particular with respect to the second category (laying, cutting, sealing) and third category of work (mechanical cable protection). While the requirement for licenced electrical workers to undertake these works may address some electrical safety considerations it would also exacerbate delays and impact the availability of resources to complete these works. For some electrical workers, the expanded scope of duties may also require additional training and upskilling to perform tasks that are outside their area of expertise.

Rather than requiring an already skilled tradesperson to hold a full electrical licence to undertake these works, AGL recommends further certification or education to cover identified gaps in safety standards. Potential safety risks would be more appropriately addressed through formal or informal training requirements for personnel proposing to undertake the works referred to in the Discussion Paper, in combination with some education and awareness campaigns by the Queensland Government.



The locating, fixing and mounting renewable energy assets, including batteries, is largely a manual labour task, with the connection of these technologies already required to be undertaken by the appropriate level of licenced electrician. AGL does not consider any further reforms are necessary to this category of work.

Topic 3: Electrical safety and electric vehicles

While AGL acknowledges that high voltage EV propulsion components may create additional safety considerations during the service and maintenance process, it is important than any regulatory or legislative response is proportionate to the problem that it seeks to address without stifling a booming EV industry. Any potential safety risks posed by EVs or hybrid vehicles would need to be further explored and substantiated as hybrid vehicles have been present in Australia for a substantial period of time (and EVs for over a decade) with limited reported incidents of electrical shock during maintenance by a qualified individuals (including in international jurisdictions).

Similar to our recommendations for Topic 2, AGL's preference is that any safety gaps in the servicing of EVs are more appropriately addressed through formal or informal training for certified and apprentice mechanics or auto electricians. AGL does not support expanding the definitions of electrical work and electrical equipment to capture work on electric motors for the purposes of a licencing requirement, which we believe will have a real potential to contribute to skilled labour shortages and disincentivise the uptake of EVs. In the long-term, as the penetration of EVs continues to grow, the Queensland Government can look to embed works on electric vehicle as a component of mechanical apprenticeships.

If you would like to discuss any aspect of AGL's submission, please contact Valeriya Kalpakidis at vkalpakidis@agl.com.au.

Yours sincerely,

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