



New South Wales

Gas Supply (Safety and Network Management) Regulation 2022

under the

Gas Supply Act 1996

His Honour the Administrator, with the advice of the Executive Council, has made the following Regulation under the *Gas Supply Act 1996*.

MATT KEAN, MP
Minister for Energy

Explanatory note

The object of this Regulation is to remake, with changes, the provisions of the *Gas Supply (Safety and Network Management) Regulation 2013*, which is repealed on 1 September 2022 by the *Subordinate Legislation Act 1989*, section 10(2).

This Regulation makes provision for the following—

- (a) the safety of gas networks,
- (b) the safety and operating plans for gas networks,
- (c) the standards for natural gas,
- (d) the protection of underground gas pipelines,
- (e) the reports to be given to the Secretary of the Treasury in relation to the maintenance and safety aspects of the operation of a gas network,
- (f) savings and formal matters.

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Gas Supply (Safety and Network Management) Regulation 2022

under the

Gas Supply Act 1996

Part 1 Preliminary

1 Name of Regulation

This Regulation is the *Gas Supply (Safety and Network Management) Regulation 2022*.

2 Commencement

This Regulation commences on 1 September 2022.

Note— This Regulation replaces the *Gas Supply (Safety and Network Management) Regulation 2013*, which is repealed on 1 September 2022 by the *Subordinate Legislation Act 1989*, section 10(2).

3 Definitions

The Dictionary in Schedule 2 defines words used in this Regulation.

Note— The Act and the *Interpretation Act 1987* contain definitions and other provisions that affect the interpretation and application of this Regulation.

4 Definition of “basic metering equipment”

For the Act, Dictionary, definition of *basic metering equipment*, the following equipment is prescribed—

- (a) valves to isolate gas supply,
- (b) pipe work, including a combination of pipes, flanges, tees, elbows and other pipe-connecting equipment designed to convey gas,
- (c) fittings, smaller instruments used in connection with fittings, pressure sensing tubing and tube fittings, instrument valves and associated equipment,
- (d) filters designed to trap and remove foreign matter from gas streams,
- (e) pressure regulators designed to reduce and control pressure,
- (f) over-pressure protection devices designed to protect downstream equipment from exposure to excessive pressure if upstream equipment fails,
- (g) non-return valves designed to ensure gas flow travels in only one direction and to prevent reverse flow,
- (h) mechanical indexes designed to indicate consumption of raw metered gas,
- (i) meter bars and other equipment designed to support a gas meter, and associated equipment that forms part of the meter installation,
- (j) electrical connections and wiring designed to convey electrical signals for gas meters, flow correction devices, alarms and metering communications equipment,

- (k) flow correction devices or software designed to enable raw metering data to be—
 - (i) adjusted for the effects of temperature, pressure or gas quality, and
 - (ii) referenced to standard temperature and pressure conditions,
- (l) temperature and pressure correction devices designed to enable raw metering data to be adjusted for the effects of temperature and pressure,
- (m) devices and equipment designed to analyse and calculate the heating value of a gas stream.

Example— Chromatography equipment and calorimeters.

5 Definition of “gas”

For the Act, Dictionary, definition of *gas*, paragraph (c), each of the following is declared to be a gas—

- (a) hydrogen gas that is not mixed with another gas,
- (b) a mixture of hydrogen gas and either natural gas or liquefied petroleum gas.

6 Definition of “natural gas”

For the Act, Dictionary, definition of *natural gas*, a substance that satisfies the following is prescribed—

- (a) the substance is in a gaseous state at standard temperature and pressure,
- (b) the substance consists of hydrocarbons, or a mixture of hydrocarbons and non-hydrocarbons, the principal constituent of which is methane,
- (c) the substance has been processed or otherwise dealt with to make it suitable for consumption.

Part 2 Network safety—the Act, s 83(2)(a), (c) and (f)–(j)

7 Network operators to ensure safe gas supply

- (1) A network operator must develop, maintain and operate a safe gas network.
Maximum penalty—
 - (a) for a corporation—10,000 penalty units, or
 - (b) for an individual—5,000 penalty units.
- (2) A network operator must, when designing, constructing, operating or extending a gas network or part of a gas network, take into account all relevant standards.
Maximum penalty—
 - (a) for a corporation—10,000 penalty units, or
 - (b) for an individual—5,000 penalty units.
- (3) In this section—
relevant standards means the codes, Australian Standards, guidelines or other requirements specified in a written notice by the Secretary to the network operator.

8 Network operator to nominate person-in-charge

- (1) A network operator must, within 7 days after the date of the grant of an authorisation or licence to operate a gas network, nominate a contact person (the *person-in-charge*) for the gas network by written notice to the Secretary.
Maximum penalty—
 - (a) for a corporation—250 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) The person-in-charge must be competent and specifically authorised by the network operator to communicate with the Secretary about, and make decisions about, the maintenance, repair and operation of the network operator's gas networks.
- (3) Within 7 days after a person ceases to be a person-in-charge, the network operator must nominate another person to be the person-in-charge by written notice to the Secretary.
Maximum penalty—
 - (a) for a corporation—250 penalty units, or
 - (b) for an individual—100 penalty units.
- (4) A written notice required by this section must include the full name and contact details of the person-in-charge, including a telephone number on which the person-in-charge may be contacted outside ordinary working hours.
- (5) A person who was a network operator immediately before the commencement of this Regulation must nominate, by written notice to the Secretary, a person-in-charge for the network operator's gas network within 30 days of the commencement of this Regulation.
Maximum penalty (subsection (5))—
 - (a) for a corporation—250 penalty units, or
 - (b) for an individual—100 penalty units.

9 Emergency services

A network operator must do the following—

- (a) provide the public with an emergency telephone number, available every day for 24 hours a day, for reporting an escape of gas from—
 - (i) the network operator’s gas network, or
 - (ii) gas pipe work within premises directly connected to the gas network,
- (b) provide the public with a way of reporting an escape of gas in person, during normal business hours, at the network operator’s business premises,
- (c) provide an effective system for receiving and dealing with reports, including ensuring every report is promptly acted on,
- (d) ensure, as far as possible, everything is done that needs to be done to stop the escape of, and to disperse, gas that—
 - (i) is at risk of igniting or exploding, or
 - (ii) risks suffocating or otherwise harming a person,
- (e) ensure the ways in which the network operator can be contacted for the purpose of reporting an escape of gas are adequately publicised,
- (f) make available, on request, the details of the network operator’s emergency services, including a statement to the effect that the operator will make safe an escape of gas from—
 - (i) its gas network, and
 - (ii) the part of a consumer service directly connected to its gas network, up to and including the gas meter outlet.

Maximum penalty—

- (a) for a corporation—10,000 penalty units, or
- (b) for an individual—5,000 penalty units.

10 Metering and consumer service work

- (1) This section applies to—
 - (a) work involving the installation or replacement of a gas meter or another part of the basic metering equipment, and
 - (b) the installation, alteration, extension or repair of, or other work on, a consumer service.
- (2) A person must not carry out work to which this section applies other than in accordance with the requirements of the network operator rules for the gas network to which the work relates.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (3) A person who carries out work to which this section applies that is not done on behalf of the network operator for the gas network to which the work relates—
 - (a) must—
 - (i) be the holder of a licence under the *Home Building Act 1989* authorising its holder to contract to do the work, or
 - (ii) be carrying out the work on behalf of an individual, partnership or corporation that is the holder of a licence under the *Home Building Act 1989*, and
 - (b) must be authorised by the network operator to carry out the work.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or

- (b) for an individual—100 penalty units.
- (4) To ensure that a gas installation is safe to be supplied with gas from a gas network, a person carrying out work to which this section applies must, immediately before completing the work, conduct a leak test of the gas installation downstream of the gas meter.
Maximum penalty (subsection (4))—
 - (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.

11 Notice to network operator and consumer after leak test

- (1) A person conducting a leak test of a gas installation required by section 10(4) must, after completing the test, give written notice to the network operator and relevant consumer.
Maximum penalty—
 - (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) If the test demonstrates the gas installation is safe to connect to the gas network, the notice must state—
 - (a) the gas installation has been tested, and
 - (b) the gas supply to the premises—
 - (i) has been established or re-established, or
 - (ii) is ready to be established or re-established.
- (3) If the test demonstrates the gas installation is unsafe to connect to the gas network, the notice must state that the gas installation—
 - (a) is defective, and
 - (b) is unsafe to connect to the gas network.
- (4) The notice must include the following—
 - (a) the name of the consumer,
 - (b) the full address of the location,
 - (c) the date and results of the test,
 - (d) the name of the person who conducted the test and the name of the person's employer, if any,
 - (e) the number and details of the licence under the *Home Building Act 1989* held by the person or the person's employer,
 - (f) if the notice is under subsection (3)—details of the faults identified.
- (5) The notice must be given to the network operator and consumer—
 - (a) for a notice under subsection (2)—within 7 days after the test is conducted, and
 - (b) for a notice under subsection (3)—as soon as practicable after the test is conducted.
- (6) The person who conducted the test must keep a copy of the notice given to the network operator and consumer for 5 years from the date on which it was issued.
Maximum penalty—
 - (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.

- (7) On receipt of a notice under subsection (2), a network operator must—
- (a) record the details of the notice, and
 - (b) keep the record until the sooner of—
 - (i) 10 years after the date of the test, or
 - (ii) receipt of a further notice under this section in relation to the same gas installation.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (8) On receipt of a notice under subsection (3), a network operator must—
- (a) record the details of the notice, and
 - (b) keep the notice until receipt of a further notice indicating—
 - (i) the installation has been retested and that the gas installation is safe to connect to the gas network, and
 - (ii) the gas supply has been established or re-established, or is ready to be established or re-established.

Maximum penalty (subsection (8))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

12 Notification of venting or flaring gas

- (1) A network operator must give the Secretary written notice if the network operator carries out unscheduled venting or flaring of gas in a gas network.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

- (2) The written notice must be given within 28 days after the venting or flaring is carried out.

- (3) In this section—

flaring, in relation to gas, means a controlled release of gas from a gas pipe involving the combustion of the released gas.

venting, in relation to gas, means a controlled release of gas from a gas pipe not involving the combustion of the released gas.

13 Refusal or discontinuance of supply

- (1) A network operator may refuse or discontinue the supply of gas to a person if the network operator considers—

- (a) the supply or continued supply of gas to the person is dangerous to life, health or property, or
- (b) the person's gas installation, or a gas appliance connected to it, is not installed in accordance with the relevant Australian Standard.

- (2) A network operator may discontinue a supply of gas to a person—

- (a) by disconnecting the person's gas installation from its gas network, or
- (b) by disconnecting a gas appliance from the person's gas installation, or

- (c) by otherwise rendering the person's gas installation or a gas appliance inoperable.
- (3) A network operator must give written notice of the reasons for the refusal or discontinuance of supply to the following—
- (a) the person,
 - (b) the retailer of the gas,
 - (c) the Secretary.

Part 3 Safety and operating plans—the Act, s 83(2)(f)

14 Safety and operating plans

- (1) The purpose of a safety and operating plan is to provide for the construction, alteration, extension, maintenance, repair and operation of the distribution pipelines or distribution systems of a network operator.
- (2) A network operator must—
 - (a) implement the safety and operating plan for its gas network lodged with the Secretary under section 16, and
 - (b) not construct, alter, extend, maintain, repair or operate a gas network except in accordance with the safety and operating plan.

Maximum penalty (subsection (2))—

- (a) for a corporation—10,000 penalty units, or
- (b) for an individual—5,000 penalty units.

15 Content and form of safety and operating plans

- (1) A network operator must ensure the safety and operating plan for its gas network complies with this section.
Maximum penalty—
 - (a) for a corporation—5,000 penalty units, or
 - (b) for an individual—2,500 penalty units.
- (2) The objective of a safety and operating plan must be to ensure the safe operation of the gas network, having regard to a range of matters, including the following—
 - (a) gas quality,
 - (b) operating personnel,
 - (c) plant,
 - (d) equipment,
 - (e) the community,
 - (f) the environment.
- (3) The safety and operating plan must include the following in relation to each distribution district of the network operator—
 - (a) a description of the gas network and an outline of operating, maintenance and reporting procedures,
 - (b) an analysis of hazardous events that might be expected to occur,
 - (c) the measures to be taken to prevent the occurrence of a hazardous event,
 - (d) the procedures to be implemented if there is an emergency,
 - (e) the gas quality standards to be applied, and the procedures to be implemented, to ensure that the gas conveyed or supplied meets the standards,
 - (f) specification of the plan's objectives and appropriate performance indicators developed by the network operator.
- (4) The safety and operating plan must—
 - (a) be written, but may include diagrams, and
 - (b) include the written approval of an officer of the network operator who is competent and specifically authorised by the network operator to approve the plan.

- (5) A matter required to be included in a safety and operating plan under this Regulation in relation to each distribution district of a network operator may, with the written approval of the Secretary, instead be included in relation to the distribution districts of the network operator as a group.
- (6) The safety and operating plan must also comply with Schedule 1.

16 Lodgement of safety and operating plans

- (1) A network operator must lodge with the Secretary a safety and operating plan for its gas network that complies with this Regulation.
Maximum penalty—
 - (a) for a corporation—10,000 penalty units, or
 - (b) for an individual—5,000 penalty units.
- (2) The safety and operating plan must be lodged—
 - (a) within 6 months after the date of the grant of the authorisation or licence to operate the gas network to which the plan relates, or
 - (b) within a further period approved by the Secretary.

17 Network operators to review safety and operating plans

- (1) The network operator must review and, if necessary, revise a safety and operating plan—
 - (a) as soon as practicable after a significant change occurs in relation to the operation or maintenance of the gas network to which the plan relates, and
 - (b) at least once every 2 years from the date of lodgment of the safety and operating plan under section 16.Maximum penalty—
 - (a) for a corporation—5,000 penalty units, or
 - (b) for an individual—2,500 penalty units.
- (2) Without limiting subsection (1)(a), a significant change in relation to the operation or maintenance of the gas network includes the following—
 - (a) significant incremental changes,
 - (b) an upgrade or modification in the engineering design of the gas network,
 - (c) changes in the risks to be managed by the network operator in relation to—
 - (i) the gas network, or
 - (ii) the measures to be taken to manage the risks.

18 Nomination of persons to audit safety and operating plans

- (1) A network operator must, by written notice to the Secretary, nominate a person as an auditor of its safety and operating plan at least 1 month before the person is first required to give a certificate in relation to the plan under section 19.
Maximum penalty—
 - (a) for a corporation—250 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) A person must not be nominated as an auditor unless the person is—
 - (a) independent of the network operator, and
 - (b) competent to exercise the functions of an auditor under this Regulation in relation to the network operator's safety and operating plan.

- (3) If the Secretary gives a network operator written notice that a nomination is not accepted or no longer acceptable—
 - (a) the nomination ceases to have effect, and
 - (b) the network operator must, by written notice to the Secretary, nominate another person as auditor as soon as practicable.Maximum penalty (subsection (3))—
 - (a) for a corporation—250 penalty units, or
 - (b) for an individual—100 penalty units.

19 Initial audit of safety and operating plans

- (1) A safety and operating plan must, when lodged with the Secretary under section 16, be accompanied by a report on the plan from a nominated auditor that includes a certificate by the auditor that states—
 - (a) the plan complies with this Regulation, and
 - (b) the plan is appropriate having regard to the size and complexity of the gas network, subject to the exemptions granted by the Secretary under section 26, and
 - (c) the following measures are in place—
 - (i) measures intended to prevent hazardous events identified in the plan from occurring,
 - (ii) measures intended to protect operating personnel, plant, equipment, the community and the environment if a hazardous event occurs, and
 - (d) there are properly trained and equipped personnel available to implement the plan.
- (2) The Secretary may, on the application of a network operator before the end of the period within which a safety and operating plan must be lodged under section 16, extend, by written notice, the period within which the report must be lodged if—
 - (a) the network operator provides a report from the nominated auditor indicating the following—
 - (i) an audit has been carried out,
 - (ii) a failure to comply with subsection (1)(a), (b), (c) or (d),
 - (iii) the measures the network operator proposes to take to rectify the non-compliance,
 - (iv) the period of time within which the network operator has undertaken to rectify the non-compliance, or
 - (b) the Secretary is otherwise satisfied it is appropriate.

20 Periodical audits of safety and operating plans

- (1) A network operator must, each year, lodge with the Secretary a report on its safety and operating plan from a nominated auditor that includes a certificate by the auditor that states—
 - (a) the safety and operating plan complies with this Regulation, and
 - (b) the following measures are being maintained—
 - (i) measures implemented to prevent hazardous events identified in the plan from occurring,
 - (ii) measures implemented to protect operating personnel, plant, equipment, the community and the environment if a hazardous event occurs, and

- (c) there are properly trained and equipped personnel available to maintain the plan, and
- (d) the plan is adequate and appropriate having regard to changes in the gas network since a certificate was last issued by a nominated auditor in accordance with this section or section 19, and
- (e) all measures to rectify non-compliance with the plan detected in a previous audit have been undertaken and are effective.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) The report must be lodged within 28 days after the anniversary of the date on which the safety and operating plan was lodged under section 16.
- (3) The Secretary may, on the application of a network operator at least 14 days before the end of a period within which a report must be lodged under subsection (2), extend the period by written notice if the network operator provides a report from the nominated auditor indicating the following—
- (a) the reasons why the network operator requires the period to be extended,
 - (b) whether an audit has been carried out,
 - (c) if there is a failure to comply with the safety and operating plan,
 - (d) the measures the network operator proposes to take to rectify the non-compliance,
 - (e) the period of time within which the network operator has undertaken to rectify the non-compliance.
- (4) The Secretary may also, at the Secretary's own initiative, direct a network operator, by written notice, to lodge the report at a later date specified in the notice.

21 Additional audits may be required

- (1) The Secretary may, by written notice to a network operator, require the network operator to carry out, or to provide reasonable assistance and co-operation for the purposes of carrying out, a further audit of its safety and operating plan.
- (2) The Secretary may require a further audit if the Secretary is—
- (a) satisfied the further audit is required to verify the safety and operating plan is being properly implemented, or
 - (b) not satisfied with an aspect of an audit carried out by a nominated auditor.
- (3) The Secretary may require a further audit to be carried out by an auditor nominated or appointed by the Secretary, rather than the nominated auditor.
- (4) The further audit may relate to one or more of the matters to which the following may relate—
- (a) an initial audit under section 19,
 - (b) a periodical audit under section 20.
- (5) A network operator must comply, as soon as practicable, with a requirement made by the Secretary under this section for a further audit.

Maximum penalty (subsection (5))—

- (a) for a corporation—10,000 penalty units, or
- (b) for an individual—5,000 penalty units.

22 Availability of safety and operating plans

- (1) A network operator must ensure the following are kept at its principal office and are made available to the Secretary—
- (a) a complete and up-to-date copy of its safety and operating plan,
 - (b) details of incremental changes.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) A network operator must make the following available to persons likely to be involved in the implementation of the safety and operating plan—
- (a) a complete and up-to-date copy of the provisions of the plan that relate to safety,
 - (b) details of incremental changes, but only to the extent the changes relate to safety.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (3) In this section—
- complete and up-to-date copy***, of a safety and operating plan, or the provisions of a safety and operating plan, means a complete copy of the most recent version of the plan, or the relevant provisions, including—
- (a) revisions required to be made under section 17, and
 - (b) amendments required to be made under section 23.

incremental change means a change to the operation or maintenance of the gas network that—

- (a) is not yet reflected in the safety and operating plan, and
- (b) is not part of significant incremental changes requiring the plan to be revised under section 17.

23 Secretary may direct amendment of safety and operating plans

- (1) The Secretary may, by written order, direct a network operator to amend a safety and operating plan, in the way and within the period of time specified in the order, if in the Secretary's opinion—
- (a) the safety and operating plan will not produce a safe outcome, or
 - (b) its implementation has given rise to, or will give rise to, an unsafe situation, or
 - (c) a change in the network operator's gas network has given rise to, or will give rise to, an unsafe situation.
- (2) A network operator must, as soon as practicable—
- (a) comply with a direction made by the Secretary under this section, and
 - (b) provide a copy of the amended safety and operating plan to the Secretary within 7 days after complying with the direction.

Maximum penalty (subsection (2))—

- (a) for a corporation—10,000 penalty units, or
- (b) for an individual—5,000 penalty units.

24 Secretary may direct compliance with safety and operating plans

- (1) This section applies if, in the Secretary's opinion, a network operator is not—
 - (a) complying with the requirements of its safety and operating plan or a code, standard or specification set out or referred to in the plan, or
 - (b) following procedures set out or referred to in the plan.
- (2) The Secretary may, by written order, direct the network operator to take action specified in the order—
 - (a) to comply with the requirements, code, standard or specification, or
 - (b) to follow the procedures.
- (3) A network operator must, as soon as practicable, comply with a direction made by the Secretary under this section.
Maximum penalty (subsection (3))—
 - (a) for a corporation—10,000 penalty units, or
 - (b) for an individual—5,000 penalty units.

25 Draft safety and operating plans

- (1) If a network operator is constructing a new gas network, the network operator must not construct, alter, extend, maintain, repair or operate the gas network except in accordance with a draft safety and operating plan for the gas network that has been lodged with the Secretary.
- (2) The Secretary has the same powers under this Part in relation to a draft safety and operating plan as the Secretary has in relation to a safety and operating plan.
- (3) This section does not affect the requirement under section 16 for the network operator to lodge a safety and operating plan with the Secretary.
- (4) In this section—
draft safety and operating plan means a plan that complies with this Regulation in relation to the form and content, and review and availability, of a safety and operating plan but which has not yet been audited in accordance with sections 19–21.

26 Exemptions

- (1) The Secretary may, by written notice, exempt a network operator from a requirement relating to the content of a safety and operating plan if, in the Secretary's opinion, the requirement is inappropriate having regard to the size or complexity of the network operator's gas network.
- (2) An exemption may be given unconditionally or subject to conditions.
- (3) The Secretary may, by further written notice, vary or revoke an exemption.

Part 4 Natural gas standards—the Act, 83(2)(a)–(c), (f) and (i)

27 Definitions

In this Part—

compliant natural gas means natural gas that complies with the standards set out in the Australian Standard entitled AS 4564—2020, *General purpose natural gas*.

non-compliant natural gas means natural gas that is not compliant natural gas.

reticulator means an authorised reticulator.

testing agency means a reticulator or other person who tests natural gas for the purpose of compliance by the reticulator with section 31.

28 Natural gas in pipelines to comply with standards

- (1) A reticulator must not convey non-compliant natural gas through a distribution pipeline.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.

- (2) A retailer must not supply non-compliant natural gas to an end user customer through a distribution pipeline.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.

- (3) A person must not inject non-compliant natural gas, or cause non-compliant natural gas to be injected, into a distribution pipeline.

Maximum penalty (subsection (3))—

- (a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.

29 Exception from natural gas standards in special cases

- (1) A reticulator does not commit an offence under section 28(1) by conveying non-compliant natural gas through a distribution pipeline if the reticulator reasonably believes—

- (a) the conveyance of the gas is necessary to ensure—
(i) the safety of the public, or
(ii) the security of the reticulator's distribution pipeline, or
(b) the gas that is, or will be, delivered to the end user customer is compliant natural gas.

- (2) The reticulator must notify the Secretary of the point of injection of the non-compliant natural gas—

- (a) as soon as practicable after the time when the non-compliant natural gas began to be conveyed in the reticulator's distribution pipeline, and
(b) if the notice is given orally, the reticulator must also give written notice to the Secretary within 14 days after giving the notice orally.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.

- (3) A retailer does not commit an offence under section 28(2) if the non-compliant natural gas has been conveyed through the distribution pipeline by a reticulator in accordance with this section.

30 Reticulator may obtain information and documents regarding natural gas standards

- (1) This section applies if a reticulator reasonably believes a person has information or a document that may assist the reticulator in determining whether natural gas being injected into, or conveyed through, the reticulator's distribution pipeline is compliant natural gas.
- (2) The reticulator may, by written notice served on the person, require the person to give the reticulator the information or a copy of the document.
- (3) The notice must specify the following—
- (a) the type of information or document being sought,
 - (b) a reasonable time by which the requirement must be complied with,
 - (c) the form in which the information or copy of the document must be given to the reticulator,
 - (d) that the requirement is made under this section.
- (4) A person must not, in purported compliance with a requirement made by the reticulator, give a reticulator information the person knows, or ought to know, is false or misleading.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (5) A person must not, without reasonable excuse, fail to comply with a requirement made by the reticulator.

Maximum penalty (subsection (5))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

31 Testing of natural gas

- (1) A reticulator must not convey natural gas through a distribution pipeline unless the reticulator has tested the gas, or caused the gas to be tested, to ascertain whether the gas is compliant natural gas.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
 - (b) for an individual—100 penalty units.
- (2) The testing must be conducted in accordance with—
- (a) the reticulator's safety and operating plan, and
 - (b) additional requirements, if any, imposed on the reticulator by the Secretary by written notice.

- (3) A testing agency must keep a register of all test results at the agency's main office.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

- (4) If a test has been performed to determine a derived value, the register of test results must include the raw measurements used to determine the derived value.
Example— The Wobbe Index value is an example of a derived value.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (5) The testing agency must ensure the register of test results is open for public inspection during ordinary business hours.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (6) The testing agency must ensure information from the register is made available—
(a) to the Secretary—on request and at no cost, and
(b) to other persons—on request and on payment of a reasonable fee fixed by the testing agency.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (7) A reticulator must maintain all testing equipment used to test natural gas, or cause the testing equipment to be maintained, in accordance with the reticulator’s safety and operating plan.
Maximum penalty (subsection (7))—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.

32 Testing agencies and retailers to report non-compliant natural gas

- (1) A testing agency must notify the Secretary without delay if the testing agency becomes aware of a test result showing the natural gas in a reticulator’s distribution pipeline is non-compliant natural gas.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (2) A retailer who knows that non-compliant natural gas is being, or will be, conveyed through a reticulator’s distribution pipeline must notify the Secretary without delay.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (3) A testing agency or retailer who gives notice orally must, within 7 days after giving the notice orally, give written notice of the matter to the Secretary.
Maximum penalty—
(a) for a corporation—2,000 penalty units, or
(b) for an individual—100 penalty units.
- (4) A person must not, in purported compliance with a requirement made by the Secretary, give the Secretary information the person knows, or ought to know, is false or misleading.

Maximum penalty (subsection (4))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

33 Secretary may obtain information regarding non-compliant natural gas

- (1) This section applies if the Secretary believes non-compliant natural gas is being, or will be, injected into or conveyed through a reticulator's distribution pipeline.
- (2) The Secretary may, by written notice, require a person to give the Secretary the information specified in the notice regarding the injection or conveyance of the non-compliant natural gas.
- (3) The notice must specify the following—
 - (a) a reasonable time by which the requirement must be complied with,
 - (b) the form in which the information must be given to the Secretary,
 - (c) that the requirement is made under this section.
- (4) A person must not, in purported compliance with a requirement made by the Secretary, give the Secretary information the person knows, or ought to know, is false or misleading.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

- (5) A person must not, without reasonable excuse, fail to comply with a requirement made by the Secretary under this section.

Maximum penalty (subsection (5))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

34 Secretary may issue directions and take other measures about non-compliant natural gas

- (1) This section also applies if the Secretary believes non-compliant natural gas is being, or will be, injected into or conveyed through a reticulator's distribution pipeline.
- (2) The Secretary may issue directions to the reticulator or a retailer regarding the injection or conveyance of the non-compliant natural gas.
- (3) Without limiting subsection (2), a direction issued by the Secretary may require the reticulator or retailer to notify end user customers who may be supplied with the non-compliant natural gas that the gas is being, or will be, injected into or conveyed through the distribution pipeline.
- (4) A person must not, without reasonable excuse, fail to comply with a direction issued by the Secretary under this section.

Maximum penalty (subsection (4))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

35 Natural gas must have odour

A reticulator must ensure natural gas being conveyed, or to be conveyed, through the reticulator's distribution pipeline has a distinctive and unpleasant odour that is discernible at the level specified in the reticulator's safety and operating plan.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

36 Exemptions

- (1) The Secretary may, by written notice, exempt a reticulator from one or more of the requirements of this Part.
- (2) The Secretary may, by a further written notice, vary or revoke an exemption.
- (3) If the Secretary grants an exemption to a reticulator, the Secretary may issue directions to the reticulator regarding the conveyance of natural gas through the reticulator's distribution pipeline.
- (4) A person must not, without reasonable excuse, fail to comply with a direction issued by the Secretary under this section.

Maximum penalty (subsection (4))—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

Part 5 Infrastructure protection

37 Definition of “designated information provider”—the Act, s 64A

For the Act, section 64A, definition of *designated information provider*, paragraph (b), Before You Dig Australia Limited (ABN 91 089 413 650) is prescribed.

38 Excavation work requiring contact with designated information provider—the Act, s 64C

- (1) Work of the following kind that is carried out within the gas network of a network operator is excavation work to which the Act, section 64C applies (*notifiable excavation work*)—
- (a) excavation for which development consent is required or that is carried out under a development consent,
 - (b) excavation that is, or is carried out in connection with, an activity within the meaning of the *Environmental Planning and Assessment Act 1979*, Division 5.1,
 - (c) excavation carried out by or on behalf of a public authority,
 - (d) excavation of land on which an underground utility service is located, or proposed to be located, by or on behalf of the owner or proposed owner of the service,
 - (e) excavation of land on which an underground utility service is located for the purpose of the repair or maintenance of works connected with the utility service.
- (2) Work of the following kind is not notifiable excavation work—
- (a) excavation carried out with the use of machinery or powered tools to a depth of less than 150mm,
 - (b) excavation for the purposes of ploughing, to a depth of less than 250mm, on land—
 - (i) in a rural zone under an environmental planning instrument, or
 - (ii) containing residential housing in a rural setting,
 - (c) excavation carried out without the use of machinery or powered tools to a depth of less than 300mm,
 - (d) excavation carried out under a lease, licence or mineral claim under the *Mining Act 1992*,
 - (e) excavation carried out in an emergency, including work to prevent or mitigate injury, death or serious damage to property or the environment,
 - (f) excavation carried out without the use of machinery or powered tools by, or on behalf of, the owner of a utility service for the purposes of—
 - (i) ascertaining the location of the service, or
 - (ii) testing the integrity of the service,
 - (g) excavation carried out by, or on behalf of, the owner of a utility service to stop loss of water, if urgently required in response to water main leaks and breaks.
- (3) In this section—
- development consent* means—
- (a) a development consent under the *Environmental Planning and Assessment Act 1979*, Part 4, or
 - (b) an approval under that Act, Division 5.2.

utility service means a water, gas, electricity, sewerage, drainage or telecommunications service.

39 Requirements for carrying out notifiable excavation work—the Act, s 64C

- (1) A person who proposes to carry out notifiable excavation work must make a request for information under the Act, section 64C within 30 days before the work is commenced, unless a request has been made by another person in relation to the work within that period.
- (2) If gas pipelines information provided to a person contains a requirement that notice of proposed notifiable excavation work must be given, before the proposed work is commenced, to a network operator that owns underground gas pipelines near the proposed work—
 - (a) a person must not commence, or authorise the commencement of, the carrying out of notifiable excavation work unless the person has first given notice of the proposed work to the network operator, and
 - (b) a person must provide to the network operator information about the proposed work that is requested by the network operator.
- (3) A person who carries out notifiable excavation work must, in carrying out the work, have regard to the following—
 - (a) information provided by the designated information provider or a network operator in relation to the location and type of underground gas pipelines in the vicinity of the work,
 - (b) other information provided to the person by the designated information provider or a network operator in relation to underground gas pipelines.
- (4) In this section—

gas pipelines information means information provided by the designated information provider or a network operator in response to a request by a person under the Act, section 64C(1).

40 Provision of information by network operator—the Act, ss 64B and 64C

- (1) This section applies to a network operator that receives notice of proposed notifiable excavation work near underground gas pipelines owned by the network operator.
- (2) The network operator must ensure the person who gives the notice, or the person proposing to carry out the work, is informed of the existence of the Excavation Work Code of Practice published in January 2020 by SafeWork NSW.
- (3) The network operator must provide a copy of the Code of Practice to the person who gives notice of the work or who is proposing to carry out the work, if the person requests a copy.

41 Notification of damage to underground gas pipelines—the Act, s 64D

A person who is required to notify a network operator under the Act, section 64D(1) of damage to an underground gas pipeline must notify the network operator—

- (a) by telephoning the contact telephone number provided to the person by the designated information provider for that purpose, or
- (b) if no contact telephone number is provided, by taking all practicable steps to—
 - (i) obtain a telephone number or email address for the network operator, and
 - (ii) notify the network operator.

42 Maximum amount of civil monetary liability—the Act, s 64F

The maximum amount of civil monetary liability of the following persons for an act or omission of a kind referred to in the Act, section 64F(2) done or made through negligence is \$10 million—

- (a) a designated information provider,
- (b) an officer or employee of a designated information provider,
- (c) a person acting on behalf of a designated information provider.

Part 6 Miscellaneous

43 Prohibition of unlicensed distribution of hydrogen gas and hydrogen gas mixtures—the Act, s 34

For the Act, section 34, the following gases are prescribed—

- (a) hydrogen gas that is not mixed with another gas,
- (b) a mixture of hydrogen gas and either natural gas or liquefied petroleum gas.

44 Reports to the Secretary—the Act, s 83(2)

- (1) A network operator's safety and operating plan must include a schedule specifying the reports that must be made to the Secretary in relation to the maintenance and safety aspects of the operation of the gas network of the network operator.

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

- (2) The network operator must include the following reports in the schedule, if directed to do so by the Secretary—

- (a) reports in relation to particular maintenance or safety aspects of the operation of the gas network,
- (b) one or more of the reports referred to in subsection (3)(a)–(e).

Maximum penalty—

- (a) for a corporation—2,000 penalty units, or
- (b) for an individual—100 penalty units.

- (3) If directed by the Secretary, the network operator must also provide the Secretary with a report in relation to one or more of the following matters—

- (a) gas network assets, including the following—
 - (i) the total length of the gas network,
 - (ii) descriptions of the gas network,
- (b) the safety and integrity of the gas network, including the following—
 - (i) the number of incidents of mechanical damage occurring in network operations,
 - (ii) the number of emergency exercises conducted,
- (c) the reliability of the gas network and consumer-related matters, including the following—
 - (i) poor pressure supply,
 - (ii) deviations from gas quality specifications,
 - (iii) unaccounted for gas,
- (d) high-pressure gas operations involving pressure exceeding 1,050 kilopascals, including the following—
 - (i) corrosion inspections,
 - (ii) third-party activities impacting on high-pressure gas operations,
- (e) a matter that, under this Regulation or the safety and operating plan, requires immediate reporting, including the following—
 - (i) emergencies,
 - (ii) accidents,
 - (iii) non-compliant gas,

(iv) other incidents the plan requires to be reported as soon as practicable after the incident occurs,

(f) other matters relating to the safety or maintenance of the gas network.

Maximum penalty (subsection (3))—

(a) for a corporation—2,000 penalty units, or

(b) for an individual—100 penalty units.

45 Savings

An act, matter or thing that, immediately before the repeal of the *Gas Supply (Safety and Network Management) Regulation 2013*, had effect under that Regulation continues to have effect under this Regulation.

Schedule 1 Safety and operating plans

section 15(6)

1 General provisions of safety and operating plan

The following general matters must be included in a safety and operating plan—

- (a) the objectives of the plan,
- (b) a description of the management structure of the network operator,
- (c) a schedule identifying each person designated by the network operator as being responsible for the development, approval and implementation of the plan,
- (d) identification of the distribution districts to which the plan applies and of the procedures set out or referred to in the plan that apply only in relation to a particular distribution district,
- (e) a description of the gas network, and its operation and maintenance, within each distribution district,
- (f) a statement that all procedures set out or referred to in the plan are in place and have been tested and proved.

2 Description of gas network

A description of the gas network, and its operation and maintenance, within each distribution district of the network operator must include the following—

- (a) the range of supply pressures applied within each distribution district,
- (b) a description of the gas works within each distribution district,
- (c) references to maps showing the location of the gas works and the procedures for accessing the maps,
- (d) the following in relation to engineering records maintained by the network operator—
 - (i) a description of the records,
 - (ii) the location of the records,
 - (iii) the procedures for maintaining, filing and accessing the records.

3 Analysis of hazardous events

- (1) An analysis of hazardous events must be prepared and included in the safety and operating plan in relation to each distribution district of the network operator.
- (2) Despite subsection (1), a single analysis of hazardous events may be prepared in relation to the distribution districts of the network operator that possess the same characteristics from which the risk of hazardous events may be identified.
- (3) The analysis of hazardous events must, consistent with the size and complexity of each distribution district or proposed distribution district, identify the following—
 - (a) the range of supply pressures applied within each distribution district or to be applied within each proposed distribution district,
 - (b) the hazardous events that might be expected to occur,
 - (c) the potential causes of hazardous events,
 - (d) the possible consequences of hazardous events,
 - (e) the operational, maintenance and organisational measures—
 - (i) intended to prevent hazardous events from occurring, and

- (ii) if a hazardous event does occur—intended to protect operating personnel, plant, equipment, the community and the environment.
- (4) The operational and maintenance measures must include a maintenance schedule that includes the type and frequency of the following—
 - (a) inspections,
 - (b) coating surveys, if used,
 - (c) checks on cathodic protection devices, if used.
- (5) If a new gas network is to be constructed, or an existing gas network extended—
 - (a) an analysis of hazardous events must be prepared, and included in the plan, in relation to the construction or extension before construction commences, and
 - (b) the analysis must also take into account hazardous events that may occur during construction.
- (6) A safety and operating plan must include a description of the methodology used, and to be used, to conduct an analysis of hazardous events.

4 Emergencies

- (1) A safety and operating plan must identify the emergency procedures to be implemented by the network operator to ensure an effective response to emergencies.
- (2) Emergency procedures must be identified for at least the following types of emergencies—
 - (a) fires, explosions, leaks and impacts, with particular reference to those caused by the activities of other parties,
 - (b) natural disasters,
 - (c) civil disturbances.
- (3) A safety and operating plan must identify the procedures implemented by the network operator that ensure all emergency procedures—
 - (a) have been tested and proved, and
 - (b) are tested and reviewed on a regular basis.

5 Gas quality

A safety and operating plan must include the gas quality standards to be applied, including standards relating to the following—

- (a) heating value,
- (b) relative density,
- (c) composition and purity.

6 Procedures for ensuring gas is malodorous

A safety and operating plan must—

- (a) identify the procedures to be implemented by the network operator to ensure that gas conveyed or supplied has a distinctive and unpleasant odour, and
- (b) specify the odoriferous substances to be used, and
- (c) specify the odour intensities.

7 Procedures for testing gas

- (1) A safety and operating plan must identify the procedures to be implemented by the network operator to ensure the gas conveyed or supplied—

- (a) meets the relevant gas quality and pressure standards, and
 - (b) complies with the relevant gas specification.
- (2) A safety and operating plan must specify the following—
- (a) the equipment to be provided and maintained by or on behalf of the network operator for the testing of gas,
 - (b) the order of accuracy of results the equipment delivers,
 - (c) the place or places at which the equipment is to be kept,
 - (d) how often calibration tests are to be conducted on the equipment to ensure its accuracy,
 - (e) how often gas testing is to be carried out.

8 Procedures for connection of gas supply to a gas installation

A safety and operating plan must identify the procedures to be implemented by the network operator to ensure that gas installations are safe for the connection or reconnection of the supply of gas.

9 Plan must incorporate relevant management system standards

A safety and operating plan must incorporate standards relating to management systems relevant to the management of a gas network, including standards relating to the following—

- (a) document control,
- (b) record management,
- (c) procedures for conducting audits and management reviews.

10 Codes and standards

If a network operator has departed from a relevant standard within the meaning of this Regulation, section 7 when designing, constructing, operating or extending its gas network, or a part of its gas network, the safety and operating plan must contain an explanation of—

- (a) the extent of the departure, and
- (b) the arrangements in place to ensure that an equivalent or safer outcome has been achieved despite the departure.

11 Meters, regulators and other basic metering equipment

A safety and operating plan must require devices or equipment used in the gas network, including basic metering equipment—

- (a) to be suitable for the design working pressure of the part or parts of the network in which it is used, and
- (b) if installed, to be installed to not interfere with metering accuracy.

12 Network operator rules

- (1) A safety and operating plan must set out rules about the way in which work to which this Regulation, section 10 applies must be carried out (the *network operator rules*).
- (2) The network operator rules must be no less stringent than a code of practice or standard that is applied to the work by the regulations under the Act.
- (3) A safety and operating plan must identify—
 - (a) procedures that provide for the authorisation of persons to carry out the work, and

- (b) steps to be taken to ensure those persons comply with the network operator rules in carrying out the work.

13 Identification of ownership of pipes

A safety and operating plan must identify procedures to be implemented by the network operator to ensure that the network operator can identify its pipes if necessary, for example, during an emergency.

Schedule 2 Dictionary

section 3

Australian Standard means a standard published by Standards Australia as in force for the time being.

compliant natural gas, for Part 4—see section 27.

hazardous event means an event that causes, or has the potential to cause—

- (a) physical injury or damage to the health of a person, or
- (b) damage to property or the environment.

network operator rules—see Schedule 1, section 12.

nominated auditor, in relation to a network operator's safety and operating plan, means a person who is, for the time being, a person nominated by the network operator under section 18 in relation to the plan.

non-compliant natural gas, for Part 4—see section 27.

notifiable excavation work—see section 38.

reticulator, for Part 4—see section 27.

safety and operating plan means a safety and operating plan referred to in Part 3.

Secretary means the Secretary of the Department.

testing agency, for Part 4—see section 27.

the Act means the *Gas Supply Act 1996*.