

energysafe VICTORIA

Annual Report 2025–26

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VICTORIA State Government

Acknowledgement of Country

Energy Safe Victoria acknowledges and respects Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

Authorisation and copyright

This report has been endorsed by the Victorian Energy Safety Commission.

Authorised and published by the Victorian Government,
Melbourne October 2026

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Foreword and snapshot



From the Chairperson and Chief Executive Officer

As Victoria's energy safety regulator, Energy Safe Victoria works to prevent and minimise energy-related harm to people, property and the environment. This annual report outlines our work in 2025–26 to deliver on our commitments and support a safe, reliable and sustainable energy future for Victoria.

Why our work matters

Tragically, 4 Victorians lost their lives and 8 others were seriously injured in energy-related incidents during 2025–26. Two fatalities involved workers who came into contact with overhead powerlines, while 2 others died in separate house fires linked to electrical hazards: a lithium-ion battery and a faulty power board. Several workers also suffered serious electric shocks and burns while working on or near electrical infrastructure.

Every death and serious injury is devastating for the individuals, families, colleagues and communities affected. These incidents are a sobering reminder that energy is essential, but potentially dangerous, and reinforce the importance of strong safety standards, risk awareness and keeping safety front of mind.

Shaping the future of energy safety

Victoria's energy sector is changing rapidly, creating new challenges, safety considerations and opportunities. During 2025–26, Energy Safe helped shape the regulatory foundations needed for a safe and sustainable energy future, while strengthening our ability to operate in an increasingly complex environment.

In October 2025, we launched the *Energy Safe Victoria Strategy 2025–28*, setting a clear direction for how we will respond to changing risks, emerging technologies and evolving community expectations. The strategy focuses our efforts on areas of greatest potential harm across the energy system, from generation and network infrastructure to licensed work, consumer products and community safety.

The year also marked significant reform, with the release of the Victorian Government's *Energy Safety Roadmap*, changes under the *Energy and Land Legislation Amendment (Energy Safety) Act 2025*, and legislation establishing Network Resilience Plans. Together, these reforms strengthen Energy Safe's toolkit and support safer, more reliable and resilient energy systems in Victoria.

Managing emerging risks

As renewable energy infrastructure expands across Victoria, Energy Safe is strengthening its understanding of associated risks and using those insights to support safer practices across the sector.

This year, we inspected 85 large-scale battery energy storage systems, wind and solar farms, identifying opportunities to improve maintenance practices, safety controls and bushfire risk mitigation. We strengthened engagement with industry and shared our findings through our inaugural safety forums for wind and solar farm owners, reinforcing regulatory expectations and promoting safer practices.

We also contributed technical expertise to national and international standards supporting solar photovoltaic systems, battery energy storage systems, wind energy generation and emerging hydrogen applications.

Strengthening accountability

A safe energy system depends on everyone meeting their obligations and on a regulator that takes appropriate action to address non-compliance.

During the year, Energy Safe successfully prosecuted and defended appeals involving individuals, businesses and major network operators whose actions placed workers, the community and the environment at risk. These matters included unsafe electrical and gas fitting work, false Certificates of Electrical Safety, and AusNet Transmission Group's failure to comply with its Electricity Safety Management Scheme after delaying necessary transmission tower upgrades.

We also used regulatory tools to address risks and drive compliance, including issuing 6 directions, 114 improvement or infringement notices and 64 official warnings, 53 of which we issued to Powercor for breaches of electric line clearance requirements.

By combining education, engagement and proportionate enforcement, we are improving safety outcomes and maintaining confidence in Victoria's energy system.

Preventing harm

Prevention remains the most effective way to protect Victorians from energy-related harm.

Ahead of the 2025–26 fire danger period, we audited Victoria's major electricity companies against their bushfire mitigation plans, inspecting more than 1,300 electrical assets and reviewing almost 2 million asset records. Despite a challenging season, ground fires from electrical assets decreased by 6% from the previous year.

We delivered targeted campaigns and safety messaging on key risks, including illegal electrical do-it-yourself (DIY) work, lithium-ion batteries and solar system servicing. We also issued seasonal reminders on generator safety during emergencies, winter heating and gardening near service lines.

We supported licensed workers and industry through guidance, training and forums. Our statewide electrical safety roadshow engaged 960 electrical workers across 13 locations, providing practical guidance on emerging risks and safety obligations.

In September, updated apprentice supervision requirements came into effect, strengthening accountability and clarifying supervision responsibilities. We supported employers, supervisors and apprentices to implement the new framework.

Together, these initiatives improved safety awareness, workforce capability and safer practices in Victorian homes, workplaces and communities.

Acknowledgements

This year's achievements reflect the collective efforts of our staff, stakeholders and partners across government, industry and the community.

We thank the Department of Energy, Environment and Climate Action, industry bodies, unions, major energy companies, employer groups, co-regulators and others who worked with us to support energy safety outcomes for Victorians.

We also acknowledge the dedication, expertise and professionalism of our people, and thank our commissioners for their leadership, guidance and contribution throughout the year.

We are pleased to present Energy Safe Victoria's 2025–26 Annual Report.



Monique Conheady
Commission Chairperson
Energy Safe Victoria



Leanne Hughson
Chief Executive Officer
Energy Safe Victoria

Energy Safe Victoria 2025–26 snapshot

Key performance indicators

In 2025–26, four Victorians died and eight others were seriously injured in energy-related incidents, underscoring the critical need to strengthen safety standards, risk awareness and safe work practices around electrical hazards.

4 fatalities
(0 target)

8 serious injuries
(0 target)
(8 electrical, 0 gas)

297 ground fires[1]
(218 target)

0 employee fatalities or serious injuries[2]
(0 target)

Strategic priorities

Energy generators

131 inspections of large-scale renewable energy and new technology

29 incidents involving renewable energy and new technology

35 attendees at the Wind Farm Owners' Safety Forum

71 attendees at the Solar Farm Owners' Safety Forum

Energy networks

29 safety cases approved
(18 electricity, 11 gas)

3,131 inspections of the condition of electricity network assets

14,683 inspections of vegetation around powerlines

7,625 hazardous bushfire risk areas

7,058 low bushfire risk areas

1 A total of 245 ground fires for the fire season period of 1 September to 30 April.
2 A serious injury is a WorkSafe Notifiable Incident, which includes immediate admission to hospital or medical treatment within 48 hours of being exposed to a substance.

Enforcement actions

6 directions (6 electrical, 0 gas)[3]

11 prosecutions completed (4 electrical, 6 gas, 1 withdrawn)

28 improvement notices (1 electrical, 27 gas)

86 infringement notices (46 electrical, 9 gas, 31 renewables)

Licensed workers

83.5% compliant Certificates of Electrical Safety

99 presentations to apprentices

9,943 electrical licence holders completed continuing professional development

960 attended electrical roadshows

9,875 technical electrical and gas enquiries responded to

Equipment and appliances

20 residential solar installation inspections

325 installation, equipment and appliance fires (288 electrical, 37 gas)

68 audits of retailers (60 electrical, 8 gas)

12 recalls (8 electrical, 4 gas)

Community

3 public safety campaigns delivered

Make the Safe Call solar safety campaign reach **3.2 million**

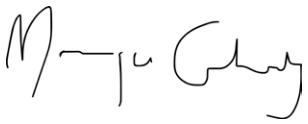
Before you know it lithium-ion battery safety campaign reach **3.9 million**

DDIY (Don't do it yourself) illegal electrical home DIY campaign reach **4.8 million**

3 Issued under Part 12 Division 1 of the *Electricity Safety Act 1998*.

Responsible body's declaration

As Commissioner and Chairperson of Energy Safe Victoria, in accordance with the *Financial Management Act 1994*, I present the Energy Safe Victoria Annual Report for the year ending 30 June 2026.

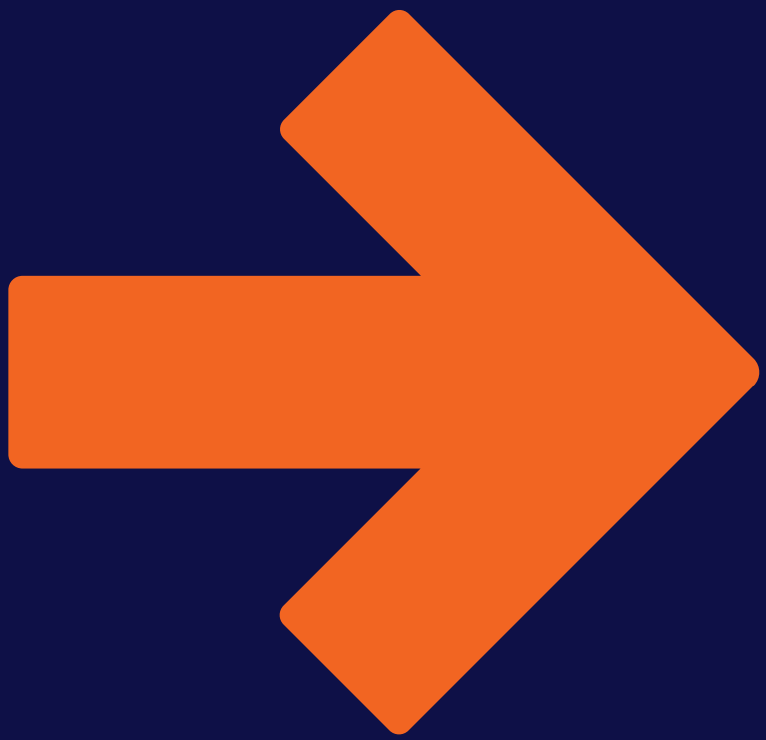


Monique Conheady
Chairperson
Victorian Energy Safety Commission

25 September 2026

Section 1

Year in review



About Energy Safe Victoria

The Victorian Energy Safety Commission is established under the *Energy Safe Victoria Act 2005* and is known as Energy Safe Victoria (Energy Safe). We work to keep Victorians safe in relation to electricity, gas, pipelines and renewable energy.

Our responsible minister from 1 July 2025 to 30 June 2026 was the Minister for Energy and Resources, The Hon. Lily D'Ambrosio MP.

We are an independent statutory authority with functions and regulatory powers established under the Energy Safe Victoria Act, *Electricity Safety Act 1998*, *Gas Safety Act 1997* and *Pipelines Act 2005*.

Our activities are guided by the vision, objectives, functions and responsibilities set out in the Acts and the regulations made under them.

Energy Safe has 3 Commissioners who are accountable to the Minister and the Victorian Parliament for ensuring we perform our functions and exercise our powers in ways that best achieve our objectives. The Commissioners also provide strategic direction and leadership.

Our Chairperson may issue directions and has additional powers in the event of emergencies, as authorised under the Electricity Safety Act and Gas Safety Act.

We operate in line with our corporate plan, which includes a statement of corporate intent, annual business plans, financial plans and Charter of Consultation and Regulatory Practice, as required under the Energy Safe Victoria Act.

We also deliver on the Minister's Statement of Expectations and detail our progress in this annual report.

Our objectives

Energy Safe is Victoria's energy safety regulator. We work to prevent death, injury, damage or loss caused by electricity, gas, pipelines and renewable energy systems.

We oversee the safe transmission, distribution, storage, supply and use of electricity and gas in Victoria.

As Victoria transitions to a more sustainable energy future, we aim to ensure energy safety remains at the forefront of innovation, emerging technologies and renewable energy. We carry out statutory responsibilities and functions under the Electricity Safety Act, Gas Safety Act and Pipelines Act.

We are responsible for ensuring:

- energy installations and appliances are safely installed and operated
- energy infrastructure and pipelines are safe throughout commissioning, operation and decommissioning
- bushfire risk is prevented and mitigated
- licensed individuals undertake electrical work in accordance with prescribed safety standards
- infrastructure is protected from corrosion caused by stray electrical currents
- the public and industry are aware of electricity and gas safety risks and obligations.

Our core regulatory functions

Regulatory approvals

We administer Victoria's licensing, registration and approval systems to support safety standards and workforce competency.

We issue licences to:

- electricians and electrical workers, including lineworkers
- electrical inspectors.

We assess and approve:

- appliances to ensure they meet safety and energy efficiency standards before being sold in Victoria
- cathodic protection systems for owners and operators of major infrastructure
- safety plans for electric line clearance, bushfire mitigation and Electricity Safety Management Schemes for major companies, including electricity distribution businesses
- safety cases and construction safety management plans for gas and pipeline companies before giving consent to operate.

We administer:

- the gas acceptance scheme for complex gas installations.

Audits and inspections

We monitor, inspect and audit a broad range of energy infrastructure, equipment, systems, licence holders and industry participants to ensure compliance with safety standards and regulatory requirements.

Our audits focus on ensuring:

- electricity, gas and pipeline networks and installations are designed, constructed, operated and maintained to manage safety risks
- only licensed and appropriately qualified workers carry out gas and electrical work
- apprentice supervision requirements are being met
- apprentices are receiving appropriate skills and knowledge from registered training organisations (RTOs)
- electrical equipment sold in Victoria is safe, efficient and meets minimum standards
- gas products sold to consumers and gas appliances used at public events are safe.

Education and engagement

Everyone has a role to play in energy safety. Through our industry and community engagement activities, we provide education around risk and strengthen our relationships with partners and key stakeholders.

- We use our media relations, public awareness campaigns and digital communications to highlight safety issues and discourage unsafe behaviours.
- We provide guidance, educational seminars and professional development opportunities through partnerships with training organisations, industry bodies and unions to support understanding and compliance with regulations.
- We provide a technical helpline to support professionals in the gas and electricity industries.
- We work with organisers of public events to help them understand and manage gas and electricity safety risks.
- We receive and assess public and industry complaints about unsafe or non-compliant activities and may investigate and take associated regulatory action where appropriate.
- We participate in standards, technical and safety committees alongside co-regulators, industry representatives, technical experts and unions to address safety risks and support continuous improvement.
- We work with energy safety regulators across Australia through the Electrical Regulatory Authorities Council and the Gas Technical Regulators Committee (GTRC) to improve safety outcomes and promote nationally consistent standards.
- We work with Victorian Government emergency management committees and provide advice on energy safety and infrastructure resilience.
- We work cooperatively with the Department of Energy, Environment and Climate Action (DEECA) and other government departments and agencies to support consistent cross-government policies and arrangements.

Compliance and enforcement

We regulate industry and the energy sector to ensure the generation, supply and use of energy meets expected safety standards.

Where we identify breaches of energy safety legislation, we will take proportionate and appropriate compliance and enforcement action in line with our Compliance and Enforcement Policy. These actions may include:

- issuing notices to rectify or improve non-compliant work
- issuing warning letters and infringement notices for non-compliant gas and electrical installations, equipment, infrastructure and vegetation not meeting prescribed clearance distances
- prosecuting offences under energy safety legislation
- taking disciplinary action in relation to licensed workers and registered entities.

In addition, we:

- administer Certificates of Electrical Safety (COES) which assure the community that electrical work meets required safety standards
- undertake recalls of unsafe or non-compliant appliances or equipment
- can prohibit the sale and/or supply of dangerous equipment or appliances.

Our regulatory priorities, investigations and decisions are intelligence-informed, data-driven and evidence-based.

Vision, purpose and values

In May 2025, the Commission approved a refreshed vision and purpose statement for Energy Safe.

Our vision

A future where Victorians and the environment are supported by safe and reliable energy.

We are powering towards an energy future that is sustainable for all Victorians and our climate. We need energy safety systems so Victorians can continue to use energy for many generations. We also need energy systems to be modern and reliable, so our families, towns, cities and lands are kept safe.

Our purpose

We keep Victorians energy safe and ensure energy is used confidently.

Energy is essential to our quality of life. Energy technologies can be complex and powerful, and the potential for harm is significant to our community and the environment.

We regulate to ensure that energy safety, supply and efficiency are a priority in Victoria and something our community can be confident in.

Our values

The values of the Victorian Public Sector and Energy Safe are expressed by our people in our day-to-day actions, decision-making and interactions with others.

Integrity

We act with impartiality and uphold the importance of unbiased, equitable treatment. We do this in a way that is transparent, accountable, open and trustworthy.

Engagement

We actively engage with our customers and each other to achieve safer outcomes. We believe in cooperation, listening and succeeding together to improve safety outcomes.

Adaptive

We are flexible and maintain effectiveness in the face of changing environments. We know that improving energy safety for Victoria means being at the forefront of change.

Respect

We treat everyone with respect and uphold the importance of diversity, experience and skills. We care about the safety of Victorians and demonstrate respect through our actions.

Excellence

We aspire to the best standards of practice by ensuring an evidence-based approach to our work. We strive to excel in our capability to deliver safety outcomes.

Responding to the Minister's Statement of Expectations

The Statement of Expectations is a formal public statement made by the responsible minister providing clear guidance on the government's strategic priorities and regulatory goals.

On 29 June 2023, Victoria's Minister for Energy and Resources issued a Statement of Expectations for Energy Safe which set the performance objectives for a 2-year period. These were:

- efficient delivery of risk-based regulation
- transition to renewable energy
- compliance-related assistance and advice
- cybersecurity
- operational efficiencies.

The Statement of Expectations directs Energy Safe's priorities for our core business and our enforcement of regulation. The Statement of Expectations has historically been issued every 2 years; however, the 2023 statement remains current until it is superseded.

In addition to the Minister's expectations, Energy Safe's work is directed towards meeting its obligations under the *Energy Safe Victoria Act 2005*, the *Electricity Safety Act 1998*, the *Gas Safety Act 1997* and the *Pipelines Act 2005*.

Efficient delivery of risk-based regulation

Efficient risk assessment

In July 2025, the launch of the *Energy Safe Victoria Strategy 2025–28* embedded a risk-based and proportionate regulatory approach that targets effort and resources to areas of greatest potential harm to the community.

Throughout 2025–26, Energy Safe has continued to adapt to the changing energy environment and strengthen its capability and preparedness to take regulatory action.

Energy Safe has consistently applied efficient risk assessment across its activities and exercises proportionate regulation that protects the safety of workers and the community.

Energy Safe strengthened its risk management framework in 2024–25 by introducing 3 distinct risk registers covering strategic risks, operational risks and regulatory harms. This approach identifies and prioritises reducing harms to the community, including those that are shared with other regulators or agencies.

Targeted risk assessments have been carried out to examine specific harms. For example, Energy Safe conducted a detailed risk review of the 2024–25 fire season, examining the frequency, scale, size and underlying causes of ground fires linked to the failure of, or contact with, electricity distribution network assets.

Energy Safe also analysed incidents involving contact with overhead lines following a fatality in September 2025. The analysis led to the inclusion of 'safety around overhead powerlines' in our strategic program of work. This demonstrates how we adapted our strategy and regulatory focus to target the greatest potential harm.

Bushfire mitigation

Energy Safe maintained a strong focus on the risk of bushfires associated with electrical networks, including assessing and auditing duty-holders' Bushfire Mitigation Plans. We actively inspected thousands of powerline spans to identify and take enforcement action regarding non-compliant vegetation and to confirm that assets were being maintained in compliance with commitments in Bushfire Mitigation Plans in both hazardous and low bushfire risk areas. In addition, we delivered weekly reporting to the Minister for Energy and Resources during the bushfire risk season from October 2025 to April 2026.

Energy Safe implemented the recommendations of the rapid early fault current limiters (REFCL) performance review. We required distribution businesses to make commitments in their Bushfire Mitigation Plans to comply with our REFCL operations policy that was published in December 2024. To date, there have been no confirmed bushfires originating from networks protected by REFCLs that REFCLs were expected to prevent.

More detail about bushfire mitigation is in the Energy Networks section of this report.

Safety at home

Energy Safe continued to promote energy safety within the home and with domestic solar installations, lithium-ion batteries and gas appliances.

In 2025–26, we conducted 20 formal audits of residential solar installations. We also launched the *Make the safe call* advertising campaign, focusing on solar safety.

We worked to improve lithium-ion safety through a safety behaviour-change campaign, *Before you know it*, which raised the awareness of risks relating to e-bikes and e-scooters. We also ran stakeholder consultation on the electrical safety requirements for e-transport devices and reviewed, tested and removed non-compliant e-scooters from sale in Victoria.

Energy Safe conducted 68 store audits across both physical and online retailers to prevent the sale of unsafe electrical and gas appliance. This included 8 stores selling gas appliances and 60 selling electrical appliances. The audits covered 200 items of gas equipment and 573 items of electrical equipment. We also managed 8 voluntary recalls for electrical appliances and 4 voluntary gas recalls. There were no mandatory recalls for gas and electrical appliances.

More information about electrical and gas appliance safety is in the Equipment and appliances section of this report.

Transition to renewable energy

Clear expectations about regulatory compliance

Energy Safe continued its formal inspections of renewable energy and new technology facilities and conducted 131 formal inspections of renewable energy and new technology facilities, consisting of 51 wind, 67 solar and one solar thermal installations, and 12 battery energy storage systems. Some of these facilities were inspected more than once.

Energy Safe also held 2 safety forums for owners and operators of large-scale renewable facilities during 2025–26. The Wind Farm Owners' Safety Forum was held in October 2025 and the Solar Farm Owners' Safety Forum was held in March 2026. The events provided owners with support to help them comply with their general duty under the Electricity Safety Act.

Energy Safe published new industry guidance on battery energy storage systems, updated guidance on inverters and batteries, and launched a new renewable energy hub on the Energy Safe website to make it quicker and easier for those in the industry to find the information they need.

Energy Safe's CEO has chaired the Regulators Taskforce for Renewable Energy since 2021 as a proactive regulatory approach to ensure Victoria's transition to renewable energy is done with safety at its core. CEOs and their delegates from organisations including the Environment Protection Authority Victoria (EPA), WorkSafe Victoria, Fire Rescue Victoria (FRV), the Country Fire Authority (CFA) and DEECA are collaborating to achieve positive safety and environmental protection outcomes, as Victoria transitions to renewable energy.

A working group under the taskforce has been focusing on sharing information between regulators about trends, concerns, industry developments, new guidance and action taken. The working group also runs joint inspections across Victoria's solar and wind farms and battery energy storage systems, raising industry awareness of compliance requirements, and is working on a data sharing initiative.

More information about our work on renewable energy safety is in the Energy generators section of this report.

Cybersecurity

Energy Safe continued to mature its approach to cybersecurity based on the Victorian Protective Data Security Standards, and implementation of the Australian Signals Directorate's Essential Eight. The risk-based approach was validated and refined by working with an external partner.

Compliance-related assistance and advice

High-quality assistance and advice

In 2025–26, Energy Safe once again provided high-quality, efficient compliance-related assistance and advice to regulated entities and other government agencies.

Energy Safe published policies, strategic priorities and industry-specific guidance on its website, including information on achieving compliance and standards of work.

Information was also made available at targeted seminars involving duty holders, including presentations to:

- apprentices at RTOs
- gas and electrical senior management forums
- industry conferences, trades shows and expositions
- members of the public at community gatherings.

Energy Safe ran an electrical roadshow aimed at licensed electrical workers, visiting 12 locations, from July to September, and hosted one online session.

Energy Safe's Technical Advice Line for both electrical and gas professionals provides direct access to expert guidance on safety regulations, standards and technical requirements. The Technical Advice Line received 3,990 enquiries for gas and 5,885 for electricity during 2025–26.

More information about our efforts to provide assistance and advice to industry and the public is in the Licensed workers section of this report.

Through the Technical Advice Line and other avenues, Energy Safe provides technical support on electrical, gas and pipeline matters to other Victorian Government agencies, including WorkSafe, the EPA, Victoria Police, FRV and the CFA.

During the January 2026 Victorian bushfires, Energy Safe provided 2 compliance officers to support DEECA's rollout of generators in the small generator loan program. We also provided technical advice about energy safety, including generator safety, to emergency services and the community.

While Energy Safe's emergency reporting lines remain available 24 hours a day, 7 days a week, technical collaboration is coordinated through established interagency channels. These channels, formalised through memorandums of understanding, outline the processes for resource sharing and joint technical support in accordance with agreed-upon protocols.

Safety advocacy

Since 1 July 2025, Energy Safe has continued to take a leading role in advocacy at a national level, particularly in shaping industry standards, including actively chairing and participating in standards development organisations, driving progress and ensuring safe regulatory frameworks. We also contribute to the development of international standards.

Energy Safe has been a substantial contributor to the development and updating of electrical equipment safety standards and has contributed to the publication of numerous new editions and amendments.

Energy Safe continues to contribute to standards development to ensure that safety standards supporting the use of gas are fit for purpose, deliver on the expected level of safety and are enforceable.

More information about standards is in the Cross-cutting section of this report.

Energy Safe has also supported DEECA by developing a position on national licensing of electricians and on the safety regulation of the Clean Energy Regulator's cheaper homes batteries program.

Operational efficiencies

During 2025–26, Energy Safe continued to pursue operational efficiencies.

Energy Safe developed a new Line Clearance Portal, marking a major improvement in how non-compliant vegetation is managed during electric line clearance inspections. The Line Clearance Portal replaces a manual, spreadsheet-based process with a streamlined, digital system that gives major electricity companies and councils immediate access to non-compliance information and provides a more efficient way for them to communicate with Energy Safe.

Contract management system software was implemented which will adhere to Victorian Government Purchasing Board policies, ensuring that all contracts meet the transparency and disclosure standards required by the Victorian Government. It will provide better governance and meet our reporting requirements.

Energy Safe has also reduced costs and risks by consolidating 4 disparate server hosting contracts into one Microsoft Azure server environment. This has saved costs and reduced complexity in managing information technology infrastructure.

Energy Safe signed onto the Department of Government Services' new whole-of-Victorian Government Microsoft Azure Consumption Commitment, together with 24 other agencies. Energy Safe will benefit from a further 5% discount on Azure licences, totalling a 20% discount on retail prices.

Key safety measures

Energy Safe's key safety indicators measure how effective we are at delivering on our purpose and objectives over time.

Fatalities and serious injuries

Victoria has seen a concerning and tragic rise in energy-related fatalities during the 2025–26 financial year. Four electricity-related deaths were reported to Energy Safe, marking the end of a strong safety trend which saw zero fatalities in 2022–23 and 2024–25. Each of these deaths underscores the critical need to continue strengthening safety standards, raising risk awareness and educating on safe work practices around electrical hazards.

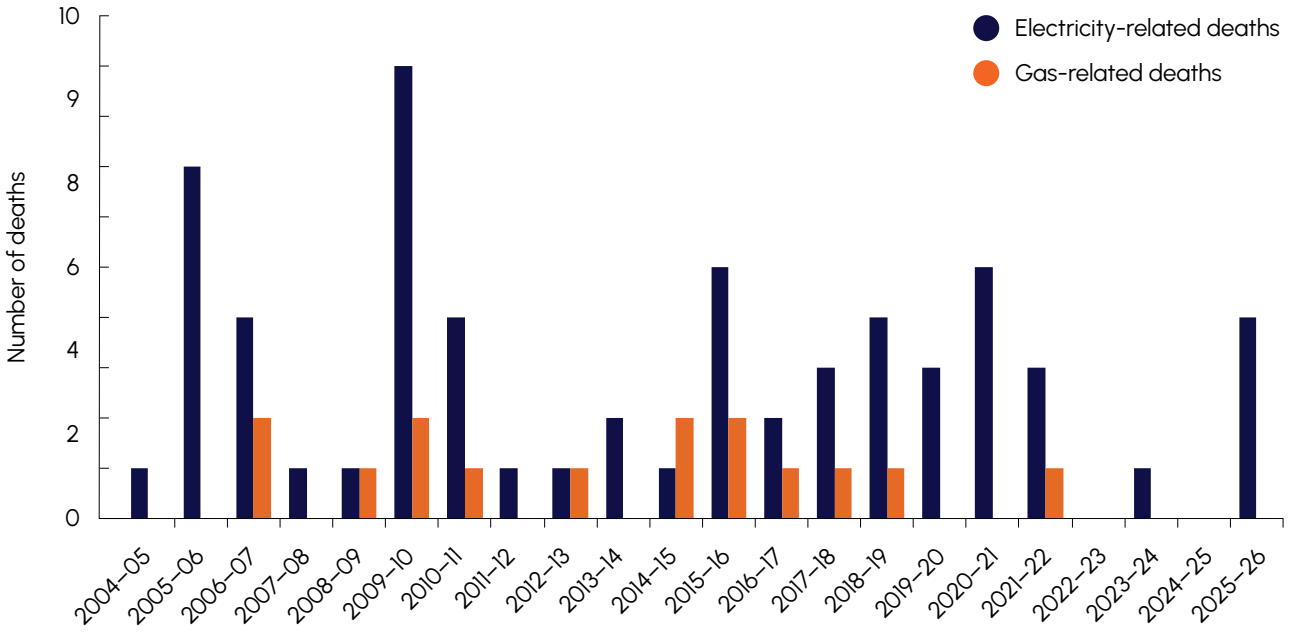
One positive trend was that we did not have any gas- or carbon monoxide–related deaths reported to us during 2025–26. The last gas-related death, which occurred in February 2022, was reported to us in June 2022. Energy Safe has put significant effort into raising awareness of gas safety following a tragic carbon monoxide death in July 2017 and the subsequent coronial inquest.

In 2025–26, Victoria saw a rise in the number of serious injuries, with all 8 related to electricity. While this was an increase on the 4 serious injuries recorded in 2024–25, it was a significant reduction from the 15 recorded in 2023–24. We will continue to work to reduce fatalities and serious injuries by investing in regulatory enforcement, education and compliance measures.

Importantly, there were no carbon monoxide–related injuries reported in our jurisdiction for the fourth consecutive year. This result reflects the sustained impact of targeted awareness campaigns and product safety interventions.

In 2025–26, Energy Safe once again placed a strong emphasis on home safety, including electrical wiring, gas and electrical appliances, and enforcing No Go Zones around powerlines. These areas have historically been linked to the majority of serious injuries and fatalities. The tragic rise in incidents related to powerline contact and electrical appliances indicates that we must continue to focus on these areas in the future.

Electricity- and gas-related deaths reported to Energy Safe



Fatalities

Tragically, in 2025–26, there were 4 electricity-related fatalities reported to us. In the same period there were no gas-related fatalities deaths reported to us.

July 2025

An elderly man died in a house fire in Carisbrook. In June 2026, the Coroner found that the fatal fire was most likely started due to an electrical fault affecting a power board in the home.

September 2025

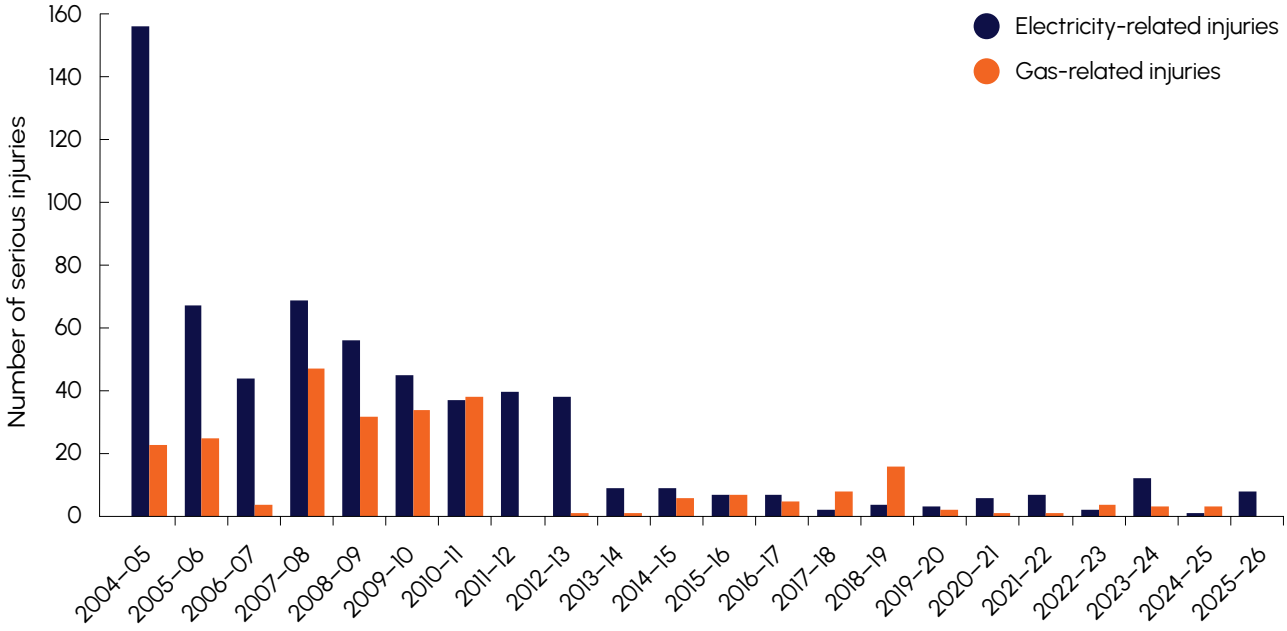
A worker handling an aluminium pole made contact with an overhead high-voltage conductor at an orchard in Koonoomoo, near Cobram, resulting in a fatal electric shock.

June 2026

A worker servicing a scissor lift at Laverton received a fatal electric shock when the lift was raised and made contact with a 22 kV overhead powerline.

A toddler died in a house fire in Werribee which is suspected to have originated when a lithium-ion battery on an e-bike failed.

Electricity- and gas-related injuries reported to Energy Safe



Serious injuries

There were 8 electricity-related serious injuries reported to us in 2025–26. In the same period, we did not have any serious injuries related to gas or carbon monoxide reported to us.

August 2025

A third-year apprentice working on an elevated work platform received burns from a flashover while conducting tests on an overhead fused connection box. The apprentice was admitted to hospital.

An authorised line worker working for a major electricity company received upper body burns due to an arc flash while undertaking live high voltage work during training. He was admitted to hospital.

September 2025

A crane hit a high-voltage line at a construction site, resulting in 2 serious injuries. One man was transferred to Geelong Hospital in a serious condition, and another was airlifted to the Alfred Hospital with burns.

During a suspected copper theft at a transport substation, a person made contact with live parts of a transformer. They received an electric shock and arc-flash burns and were taken to hospital.

November 2025

An electrical contractor sustained injuries to his arm and face from an arc flash at an indoor network substation while undertaking work under an access permit. He was taken to hospital with burns.

December 2025

An electrical fault–finding worker was checking a decommissioned panel when he touched the insulation part of the switch. When the switch was released, an arc flash occurred, causing burns to his face and hands. The worker was taken to hospital.

April 2026

A vegetation management contractor manoeuvered an elevated work platform, where equipment was stowed in the bucket, and struck a low voltage conductor. The worker reacted, reached for the pole and received an electric shock. He received cardiopulmonary resuscitation on site and was taken to hospital.

Ground fires

Each year, we monitor conditions during the bushfire season, which lasts from 1 September to 30 April.

The number of ground fires is an important indicator of whether the controls used by electricity companies are working. While a reduction in ground fires suggests the controls are achieving their aims, other factors like weather patterns and seasonal rain can affect this number.

During the 2025–26 financial year, 297 ground fires across Victoria were reported to us at the time of reporting. This is a slight decrease from the 318 ground fires reported in the *2024–25 Annual Report* but is relatively high compared to the 161 in 2022–23 and 174 in 2021–22 reports.[1]

Most fires were due to failed connections and contact with vegetation. It is important to note most vegetation-related fires were caused by tree material falling or blowing onto electric lines from outside the regulated clearance space, as opposed to non-compliant vegetation growing into lines.

Energy Safe is undertaking a strategic review into the asset management practices of electricity companies regarding connections and conductors and is continuing to take a strong enforcement approach toward vegetation management.

1 There were 245 ground fires for the fire season period of 2025–26 (1 September to 30 April). In 2024–25 there were 261 ground fires in the fire season period.

Strategic priorities

We prioritise our regulatory focus on the greatest challenges and areas of potential harm in the domains we regulate. We strengthen our capabilities and ensure Victorians have confidence in safe and reliable energy.

About our strategy

In July 2025, we launched Energy Safe's strategy for 2025 to 2028, setting a clear direction for how we deliver on our regulatory mandate over the next 3 years.

The *Energy Safe Victoria Strategy 2025–28* reaffirms our commitment to protecting the community and enabling safe, reliable energy systems as Victoria transitions to a net zero future. It focuses our regulatory effort where there is the greatest potential for harm, with a clear commitment to preventing death, serious injury, loss of property and environmental damage so Victorians can have confidence in energy safety.

The strategy responds to an increasingly complex energy landscape, including the rapid growth of new generation and equipment technologies, the need for more resilient energy networks, and the importance of a skilled workforce and informed community.

The strategic domains within which we regulate provide a clear and practical framework to guide our regulatory approach, decisions and investment, with defined outcomes to be achieved by 2028.

We will continue to review and update the strategy to ensure it remains responsive to emerging risks, government priorities and community expectations.

Our 2025–28 strategic domains are:

- energy generators
- energy networks
- licensed workers
- equipment and appliances
- community
- cross-cutting.

Energy generators

Wind farm safety

Energy Safe continued to focus on the safety of this rapidly evolving sector. During 2025–26, our officers regularly visited wind farms to ensure they were operating safely and in accordance with their regulatory obligations. When a serious electrical incident is reported, our Renewable Energy Safety team reviews the circumstances of the incident and, where compliance concerns are identified, works with our Investigations team to undertake an investigation. We also engage with wind farm owners and operators throughout the year.

Wind turbine inspections

Victoria has more than 1,600 operational wind turbines. In the last 12 months, Energy Safe undertook a targeted inspection program, inspecting 184 turbines across 43 wind farms, representing about 10% of the state's fleet. Our aim was to assess safety controls, maintenance practices and bushfire risk mitigation measures.

This program highlighted the complexity of regulating large-scale renewable energy infrastructure. Wind farms are typically located in remote areas, with turbines spread over wide geographic areas. Accessing turbines can be challenging due to their height (typically 70–120 metres), confined internal spaces and reliance on safe weather conditions, including low wind and lightning activity.

Overall, inspections indicated that most turbines were well maintained, with generally sound safety and maintenance practices observed. However, opportunities for improvement were identified, particularly in ensuring consistent application of risk controls and maintenance standards across sites.

Energy Safe analysed the findings to identify sector-wide trends, areas for improvement and examples of leading practice. These insights are informing updates to guidance for industry on turbine safety, bushfire risk management and maintenance expectations.

We shared key observations with industry through a Wind Farm Owners' Safety Forum in October 2025.

Wind Farm Owners' Safety Forum

Energy Safe convened its first Wind Farm Owners' Safety Forum in October 2025.

The forum focused on strengthening safety practices and collaboration across one of Victoria's fastest-growing renewable energy sectors, with representatives from 36 of the state's 43 operational wind farms attending alongside participants from other government agencies.

The 35 attendees gained practical insights into their safety responsibilities under the Electricity Safety Act, learned where to access key guidance materials and heard findings from recent wind farm inspections across Victoria.

Our senior leaders shared insights on emerging risks, regulatory expectations and lessons learned from recent events across the renewable energy sector.

The forum highlighted the value of continued collaboration between regulators and industry to support consistent safety practices across Victoria's wind energy sector.

Guest speakers from WorkSafe Victoria, the EPA and the CFA contributed their insights, highlighting the importance of a coordinated approach to safety across the industry.

Solar farm safety

Energy Safe continued its focus on safety on solar farms, particularly in preparation for the fire danger period. During 2025–26, our officers regularly visited solar farms to ensure they were operating safely and in accordance with their regulatory obligations. We visited 50 solar farms in 2025–26 for proactive inspections or incident response. In total, we made 67 visits as we visited some sites several times.

As with wind farms, our Renewable Energy Safety team reviews the circumstances of serious electrical incidents at solar farms. Where compliance concerns are identified, our Investigations team investigates. We also engage with solar farm owners and operators throughout the year.

Solar farm fire management

In the lead-up to the 2025–26 fire danger period, Energy Safe communicated regulatory expectations for vegetation management and firebreak maintenance to all solar farms. This was done in collaboration with the CFA and WorkSafe.

In October 2025, we conducted a pre-summer inspection program across 13 sites to discuss and assess compliance with bushfire preparedness requirements under the Electricity Safety Act. In November 2025, we wrote to solar farms with visual guides for firebreak standards. We undertook planned and unplanned site visits for an additional 37 solar farms over the fire season from November 2025 to April 2026.

We continued inspections throughout the fire season and escalated issues with duty holders where bushfire mitigation controls were inadequate.

Several sites required interventions by Energy Safe. Our actions included:

- formally writing to warn of possible enforcement action
- visiting sites prior to energisation
- meeting with representatives of owners and operators on site.

In December 2025, we issued directions to 2 solar farms to cease generation due to inadequate bushfire mitigation controls. Once the bushfire mitigation controls were assessed as adequate the solar farms were permitted to recommence generation.

Solar Farm Owners' Safety Forum

A total of 71 solar farm owners and operators attended our first Solar Farm Owners' Safety Forum in March 2026. The event was an opportunity to engage with industry and reinforce expectations for safe and compliant operations.

The program brought together subject matter experts from across Energy Safe, alongside representatives from the CFA and FRV, to share insights with attendees.

Senior leaders outlined the general duties of solar farm owners and operators and shared broader observations from across the sector. We also shared real-world examples of regulatory action and legal consequences, highlighting the risks of not meeting safety obligations and the importance of proactive compliance.

Two panel discussions were held. These discussions gave attendees an opportunity to ask questions and engage directly with presenters.

The event generated a high level of engagement from solar farm owners and operators, with strong participation throughout the day. Networking breaks enabled further discussion, and feedback from government co-presenters was positive.

High-energy electrical installation audits

Energy Safe conducts safety and compliance audits of high-energy electrical installations. A high-energy installation has a current exceeding 800 amperes and may be complex, high voltage, or low voltage and high current. High-energy installations include manufacturing plants, mines, electricity generators, smelters, gas and oil refineries and major hazardous installations.

Workers can be exposed to electrical equipment with high energy levels and there is potential for deadly arc flashes (extremely hot electrical flash-over events) as well as electric shock.

During 2025–26, we audited:

- Bega Cheese Strathmerton
- AAMI Park stadium.

Each audit involves a detailed review of safety systems and an onsite inspection. The audits aim to identify organisational weaknesses to prevent serious incidents before they occur.

Combined, the audits identified 8 major non-compliances, one minor non-compliance and 3 opportunities for improvement. Arc flash continues to be an issue, as both organisations had non-compliances with arc flash.

In 2025–26, we also assessed one application under the Voluntary Electrical Safety Management Scheme (VESMS): this assessment was ongoing as at 30 June. The scheme covers Victoria's 18 biggest electrical installations.

The VESMS allows occupiers and owners of complex electrical installations, such as power stations, gas plants or heavy industry, to operate these installations or conduct electrical work under a tailored safety management approach. The VESMS proposes how safety outcomes established by the Electricity Safety Act will be achieved through technical and management system measures and risk controls.

In June 2026, we assisted WorkSafe in the Latrobe Valley Power Generator Stakeholder Working Group to discuss a coordinated and effective response to risks of ageing coal-fired power stations, with a focus on coal generators operating in the Latrobe Valley.

Energy networks

Prosecution

Energy Safe successfully prosecuted a major electricity company for putting the community at risk by failing to comply with its legally required safety commitments.

Energy Safe Victoria v AusNet Transmission Group Pty Ltd

Melbourne Magistrates' Court found that AusNet Transmission Group Pty Ltd failed to upgrade dozens of electricity transmission towers that were at risk of failure within agreed timeframes, putting the safety of the Victorian community at risk.

On 4 September 2025, AusNet pleaded guilty to one charge of failing to comply with its accepted Electricity Safety Management Scheme, an offence under the Electricity Safety Act. AusNet was fined $70,000.

Major electricity companies must submit an Electricity Safety Management Scheme to Energy Safe for acceptance every 5 years. These plans are a legal requirement that outline how companies will mitigate safety and bushfire risks on their networks.

As part of AusNet's accepted Electricity Safety Management Scheme, the company had committed to reinforcing 48 transmission towers between Dederang and Corryong by early 2022.

Energy Safe charged the company after a review in 2023 found it had failed to complete the upgrades by its deadline and had not alerted Energy Safe to the delays.

AusNet subsequently completed the upgrades by January 2025.

A full list of prosecutions undertaken during 2025–26 can be found in Section 4 Other disclosures.

Official warning

Energy Safe issued an official warning under a statutory power this year to a major electricity company for failing to clear vegetation from powerlines.

Powercor Australia Ltd

On 23 April 2026, Energy Safe issued 53 official warning letters to Powercor Australia Ltd for 53 separate offences (different offence locations and times) against clause 3(1) of the Electricity Safety (Electric Line Clearance) Regulations 2020.

The offending occurred between 4 October 2023 and 27 November 2023 and was identified during inspections by authorised officers who recorded instances where vegetation had not been cleared and was within the minimum clearance space for electric lines.

Potential effects of climate change on electricity supply networks

Energy Safe required Victoria's major electricity companies to provide reports outlining their current understanding of climate change and the expected impact on electricity supply networks. These reports were prepared for the purpose of seeking funding from the Australian Energy Regulator for proposed network resilience projects. We sought these reports, which outlined potential risks and potential mitigations, as part of our strategic program.

Network Resilience Plan legislation implementation

In 2025–26, we worked with electricity distribution companies and the Australian Energy Regulator to prepare for the commencement of a new Network Resilience Plan regulatory framework in early 2026–27.

We developed and consulted on draft guidelines and templates aimed at supporting distribution companies to understand both their new Network Resilience Plan obligations and also our expectations about plan content, variations and reporting. We also held workshops and undertook targeted engagement to clarify issues and identify areas where more guidance was needed.

We will finalise the guidelines and templates after the Victorian Government finalises the regulations needed to implement the framework. We will then work with distribution companies to ensure Network Resilience Plans are submitted and assessed within statutory timeframes.

More information about the Network Resilience Plan legislation can be found in the Cross-cutting section of this report.

Conductors and connectors review

In 2025, we commenced a review of the performance of major electricity distribution companies' management practices for conductors and connectors.

Stage 1 of the review involved modelling the population of overhead lines operating at between 240 and 66,000 volts that makes up the Victorian electricity distribution network. This modelling considers rate of renewal of asset populations and the remaining overhead lines that are aged and located in hazardous bushfire risk areas or Electric Line Construction Areas.

The next stage is planned for 2026–27 and will identify focus areas to assess the impact of current management practices on sustainable safety outcomes for conductors.

Connections to overhead lines and connection boxes are a cohort of assets with a fire start performance that has deteriorated over recent years. These are high-volume, low-value assets where each asset is not usually recorded and simple asset management controls have, until recently, been adequate. We are reviewing incidents and reports for these assets to identify performance trends and common characteristics.

Performance of rapid earth fault current limiters

REFCLs mitigate bushfire risk and the damage caused by catastrophic events by reducing or shutting off power if a fault occurs along a 22-kilovolt REFCL-protected powerline.

REFCLs detect faults in powerlines and reduce the risk of a spark causing a fire by greatly limiting the energy at the location of the fault, without interrupting supply. If the fault is ongoing, such as a fallen or broken powerline, the REFCL sends a signal to the circuit breaker to switch off power to the entire powerline until it can be repaired.

As part of our commitment to assess the operational performance REFCLs, we are finalising a review of the functional performance that follows on from the 2020 REFCL Functional Performance Review.

During the 2025–26 fire season, our monitoring of REFCL performance found there were no fires on REFCL-protected networks that were of a type that an REFCL is designed to prevent. The functional performance review will provide an independent review of the fire-start performance and reliability impact from incidents on REFCL-protected networks.

Electricity network asset audit and inspection

Energy Safe audited Victoria's major electricity companies and specified operators of at-risk electric lines to ensure they are managing their assets in line with the commitments made in their bushfire mitigation plan.

The audits consisted of checking nearly 2 million records and physically inspecting a sample of 1,300 electrical assets across Victoria.

The bushfire mitigation audits and inspections took place between September and December 2025 in preparation for the fire danger period. The work validates this critical control is being appropriately applied across the entire asset lifecycle to mitigate bushfire risk.

Industry engagement – electrical

Energy Safe speaks to workers about working safely around energy assets, electricity, gas and pipeline infrastructure. We deliver talks to high-risk groups including the farming, civil, building and construction and scaffolding sectors about the dangers of working near energy assets.

We communicate to workers about a set of rules – the No Go Zone rules – when working near overhead powerlines and underground assets.

The No Go Zone size changes depending on the infrastructure. Distribution powerlines have a No Go Zone of 3 metres, while transmission lines have a No Go Zone of 8 metres. There are also No Go Zones for pipelines or underground cables. These rules are in place to try to keep Victorians safe and ensure the energy supply is not interrupted.

During the 2025–26, we delivered 3 talks about working safely around powerlines.

Electrolysis and cathodic protection

Energy Safe ensures that train and tram operators, and the owners of cathodic protection systems, are acting in accordance with the Electricity Safety Act and Electricity Safety (Cathodic Protection) Regulations 2019. Compliance with this legislation is needed to protect underground and underwater metallic structures from corrosion caused by stray electrical currents.

We inspect electrolysis mitigation equipment, such as thyristor drainage units and drainage bonds, to confirm they are operating correctly. We coordinate testing in rail and tram substation areas to ensure existing mitigation equipment is effective. We recommend changes and additions to mitigation systems where they are found to be deficient.

We are also responsible for the registration of cathodic protection systems and perform inspections across the state to verify owners are complying with the conditions of registration for their systems.

During 2025–26, we conducted:

- 105 cathodic protection system inspections
- 1,035 thyristor drainage unit inspections
- 9,810 drainage bond inspections
- 37 substation area tests.

We also approved 99 cathodic protection system registrations.

Guidance for forestry workers

Energy Safe works to ensure the safety of all those who work near powerlines, including those in the timber industry.

In March 2026, we issued best practice safety information to support workers felling trees near powerlines in timber plantations.

The guidance sets out the minimum distances within which people and the vehicles they use may approach powerlines, which are set out in the Electricity Safety (General) Regulations 2019 and the No Go Zone rules.

The new guidance also offers advice on planting distances from powerlines, developing maps with powerlines clearly marked and briefing workers on the location of powerlines before any work commences.

The guidance also gives clear instructions on what to do if a powerline is struck.

Vegetation clearance

Energy Safe inspects vegetation around network assets because vegetation growing too close to powerlines can cause fires, blackouts or harm to people or property. In preparation for each summer's fire season, we focus our inspections in hazardous bushfire risk areas.

Our inspections ensure that electricity distribution companies, councils and other responsible persons are acting in accordance with the Electricity Safey (Electric Line Clearance) Interim Regulations 2025, the Code of Practice of Electrical Line Clearance, and the conditions of their approved Electric Line Clearance Management Plans.

During 2025–26, we inspected 7,625 powerlines in hazardous bushfire risk areas and 7,058 powerlines in low bushfire risk areas, against targets of 6,000 and 6,000 inspections respectively. These figures do not include some re-inspections of non-compliance we have identified, to confirm clearing occurred ahead of the fire danger period.

Overall, compliance in hazardous bushfire risk areas has improved over the last 3 years and has remained steady in low bushfire risk areas due in part to our enforcement action. We will continue our inspections, particularly in hazardous bushfire risk areas, to ensure sustained improvement.

Network strikes and encroachment

Third-party strikes are the most common cause of gas and pipeline infrastructure damage that can lead to loss of containment, serious injury and fatalities. In 2025–26, there were 104 hits on gas mains compared to 109 for the previous financial year. This was a decrease of 4.5% in third-party hits.

A total of 2,649 hits on services were reported for 2025–26 compared to 2,839 hits on gas services for the same period in the previous year. This was a decrease of 6.7%.

We received reports of 59 pipeline encroachment incidents for 2025–26, compared to 54 during the 2024–25 financial year, an increase of 9%.

Of these encroachments, only 2 resulted in contact with the transmission pipeline. Subsequent assessment confirmed that the contact only resulted in minor coating damage and no impact on the structural integrity of the pipeline. None of the encroachment or damage incidents resulted in a loss of containment.

Pipeline network asset inspections

Energy Safe regulates the safety of gas infrastructure including distribution pipelines and licensed pipelines in Victoria. Victoria's gas distribution networks are managed by 4 distribution companies. We assess the internal procedures of the pipeline operators to ensure they meet the necessary requirements of the standards.

We conduct onsite inspections of transmission and distribution assets, including natural gas licensed transmission pipelines, non-natural gas transmission licensed pipelines and distribution pipelines. During 2025–26, our inspections of transmission pipelines identified one non-compliance, which equates to a 99% compliance rate. Our inspections of distribution pipelines identified 28 non-compliances, which equates to a 95% compliance rate. This indicates our ongoing inspection of the gas networks is producing the safety outcome expected by the community.

Industry engagement – gas network strikes

Energy Safe works to raise compliance and safe work around gas pipelines. We engaged with industry stakeholders in meetings facilitated by Before You Dig Australia (BYDA) during 2025–26.

We spoke at an event about safe work and compliance around utilities in Footscray in April 2026. About 100 people attended, including representatives from gas distribution companies, construction/civil contractors, and asset managers from 12 local councils. Our presentation covered legislative requirements, compliance expectations and enforcement insights, including data on unauthorised excavations within 3 metres of a transmission pipeline and gas distribution asset damages. It also highlighted a declining trend in network strikes when the BYDA service is used by contractors.

We also presented at the inaugural BYDA Utility Safety Conference in March 2026, where more than 250 industry professionals from across Australia – from the utilities, construction, engineering and safety sectors – attended to advance the national conversation on underground asset protection.

Licensed workers

Strengthened apprentice supervision requirements

On 1 September 2025, updated apprentice supervision requirements for electrical workers came into effect. The revised framework was introduced to improve safety outcomes for apprentices and clarify accountability for employers and supervisors.

The updated requirements are clearer and address variability in supervision practices by defining supervision levels based on risk and clarifying supervision ratios. They also reinforce employer and supervisor responsibilities when apprentices undertake electrical installation work. The framework also sets out the role of apprentices in raising concerns where supervision may be inadequate.

We supported the industry during the implementation of the new rules through industry engagement, guidance materials and information sessions to assist duty holders to understand and meet their obligations. The strengthened supervision framework contributes to safer training environments and supports the development of a skilled and competent electrical workforce in Victoria.

Electrical roadshow

Between July and September 2025, Energy Safe ran an electrical roadshow, visiting 12 locations across Victoria and hosting an online session.

The roadshow allowed us to engage with electrical workers about the new apprentice supervision requirements which came into effect in September 2025. We also spoke about the continuing professional development requirements for electrical workers and gaps identified by the 2024–25 audits of COES.

The program reached participants through events held across metropolitan and regional locations, helping us connect directly with audiences who may be less likely to engage through digital channels. Licensed electrical workers are often small- to medium-sized businesses, on the tools and less likely to regularly access email and the Energy Safe website.

A total of 960 people attended the events, which were held in Horsham, Warrnambool, Mildura, Bendigo, Shepparton, Geelong, Morwell and at different locations across Melbourne, as well as online. We received feedback that the events, speakers and content were informative, helpful, professional and engaging.

Prosecutions

Energy Safe successfully prosecuted or defended appeals from 2 licensed workers and one company in 2025–26. In all cases, the safety of the Victorian community was at risk due to failure to comply with the relevant legislation.

Energy Safe v Greenova Pty Ltd

Greenova Pty Ltd, a solar and battery system company, pleaded guilty to 3 charges in the Seymour Magistrates' Court on 8 January 2026.

The company admitted committing offences related to failing to have battery energy storage systems at 5 Victorian properties assessed by a licensed electrical inspector before connection, and allowing a licensed electrician to unsafely install a home battery at a Toolamba property, which sparked a minor house fire. The company was fined $9,000 without conviction.

Energy Safe v Luke Warren

In June 2025, an appeal by an electrical business supervisor, Luke Warren, who falsified more than 40 COES, was rejected by the County Court. This conviction came after Mr Warren appealed a guilty finding made on 20 March 2024 in Melbourne Magistrates' Court.

Electrical workers licensed by Energy Safe must complete a COES whenever they carry out electrical work. The COES is a legal document that makes the electrician accountable for the work they have completed.

Mr Warren was found guilty of 44 offences under the Electricity Safety Act for providing false information when he lodged a number of COES using the accreditation details of an electrician who did not carry out or supervise the listed electrical works.

He was convicted and ordered to pay $8,000 in fines and an additional $5,000 in legal costs after the guilty verdict was upheld on appeal in the County Court. Mr Warren had an application for leave to appeal to the Supreme Court dismissed in August 2025. Two subsequent applications for leave to appeal this decision in the High Court were also dismissed

Energy Safe v Tristan Sutherland

A gas worker, Tristan Sutherland, was found guilty of failing to test the gas pressure as required by the prescribed standards after carrying out gas fitting work on a complex gas installation.

The work had been carried out as part of an upgrade to science and home economics classrooms at Kurunjang Secondary College, but later testing showed the connections failed to hold pressure, indicating the presence of a gas leak.

The gas plumber failed to pay an infringement notice for the offence but pleaded guilty when the charge was brought before the Sunshine Magistrates' Court, where he received a $769 fine.

A full list of prosecutions undertaken during 2025–26 can be found in Section 4 Other disclosures.

Electrical apprentice talks

Energy Safe speaks to thousands of third- and fourth-year apprentices each year to help them understand the legislative environment they work in, the process they need to go through to get their licence and the responsibilities they will have as a licensed tradesperson.

We also educate them on the risk of penalties for them and their employers for working without a licence.

These talks take place at the RTOs that provide the off-the-job training as part of electrical apprenticeships. Our presenters are electricians who have experience delivering vocational training.

In 2025–26, Energy Safe delivered 99 presentations to 2,096 apprentices across the state. The presentations were held across Melbourne, Mildura, Swan Hill, Horsham, Ballarat, Geelong, Warrnambool, Bendigo, Morwell, Wangaratta, Shepparton and Bairnsdale.

Energy Safe–sponsored awards were presented to apprentices at 7 RTO Apprentice Awards nights, recognising excellence and achievement in training.

Lineworkers and cable jointers consultation

Maintaining a skilled and safe electricity workforce remained a key focus for Energy Safe in 2025–26. As part of this focus, we considered the licensing and supervision arrangements for Class D lineworkers and Class C cable jointers. These workers perform critical functions across Victoria's electricity networks and often operate in high-risk environments.

Our public consultation examined the scope of work undertaken by lineworkers and cable jointers, particularly in relation to underground cables, and how effectively supervision requirements under the *Electricity Safety Exemptions Order 2020* are operating in practice. We received feedback from stakeholders about how to improve clarity and consistency to better support safe and compliant work.

The feedback we received is helping us strengthen regulatory clarity. This work supports Energy Safe's objective of promoting consistent safety outcomes and maintaining a capable workforce across the electricity supply industry.

Solar installer training

Energy Safe works with solar and battery energy storage system installers to ensure they know the minimum safety requirements set out in regulations and standards.

During 2025–26, we set up a dedicated webpage for battery installations to help those working on them understand their obligations. We also published 3 guidance documents:

- Guidance on residual current device protection requirements for multiple mode inverters
- Guidance on multiple mode inverter and supply cable rating
- Guidance on supplementary supplies and switchboards.

In July 2025, we presented a webinar in partnership with Solar Victoria on battery testing. We presented at the 'toolbox talk' targeted at solar battery installers, along with subject matter experts from the Clean Energy Council. The talk was recorded to allow installers to reference the information at a later date.

In May 2026, we presented at the Solar Energy Installers Association of Victoria, Victoria's peak conference for solar installers, suppliers and industry. We spoke about supply safety and isolation and gave an update on our recent prosecutions.

Solar battery installation was also a topic covered in the Energy Safe roadshow for electrical workers.

Certificate of Electrical Safety audits

A COES is required under the Electricity Safety Act and the Electricity Safety (General) Regulations 2019 for all electrical installation work undertaken in Victoria.

Registered Electrical Contractors and Licensed Electrical Workers, including electricians and Restricted Electrical Licence holders, are responsible for purchasing, completing and providing a COES to their customers for applicable work.

Since 1999, we have conducted audit programs on electrical installation work recorded on COES to verify compliance with legislative requirements and relevant Australian Standards.

We conduct about 9,600 audits of electrical installations each year through 4 external contractors. This program plays a critical role in protecting people, livestock and property from the risks associated with unsafe or non-compliant electrical work.

Beyond ensuring safety and compliance, audit data provides valuable insight into the industry's understanding of applicable electrical standards. This enables us to identify emerging trends and target key areas for education across the trade. The compliance rate for 2025–26 is 83.5%, an improvement on the previous year's rate of 81.8%.

Complaints

Energy Safe receives complaints in relation to electrical and gas safety. We assess all complaints, triaging them according to the level of risk, and escalating serious matters for further investigation. There is a range of enforcement actions we take in response to these complaints to ensure compliance and maintain public safety

Electrical complaints

Energy Safe is responsible for receiving and investigating complaints about unlicensed electrical workers and non-compliant electrical work. Most of these complaints relate to residential work and are made by electrical workers and members of the public.

During 2025–26, we received 1,125 electricity-related complaints, including those concerning:

- unlicensed workers advertising on Facebook Marketplace or Airtasker
- unsupervised apprentices offering electrical services
- non-compliant electrical installations
- residential solar and batteries
- issues with COES
- inadequate supervision of apprentices by employers, including apprentices offering and/or performing electrical installation work.

Gas complaints

Energy Safe receives gas-related complaints from various sources, including members of the public, industry professionals and external agencies. During 2025–26, we dealt with 138 complaints. These complaints typically involve non-compliant gas fitting work; unsafe gas appliances, installations and infrastructure; and unlicensed workers.

Many of these matters concern standard gas installations that fall under the jurisdiction of the Building and Plumbing Commission (BPC). Consequently, these issues may result in a referral to the BPC from Energy Safe, or the complainant may be directed to lodge a report with the BPC directly.

Technical Advice Line

Energy Safe's Technical Advice Line for electrical and gas professionals provides direct access to expert guidance on safety regulations, standards and technical requirements. During 2025–26, we responded to 9,875 technical electrical and gas enquiries via telephone and email. This consisted of 5,885 enquires in relation to electricity and 3,990 in relation to gas.

This service supports community, electrical inspectors, Licensed Electrical Workers and gasfitter inquiries, resolving complex or unclear issues, ensuring that work is compliant and that gas and electrical installations are safer for the community. We have a duty to provide assistance and advice to help those we regulate to better understand their regulatory obligations.

By offering timely, accurate advice, the Technical Advice Line helps reduce the risk of non-compliance, supports confident decision-making and promotes safer outcomes across the electrical and gas industries.

The Technical Advice Line is also used by other government agencies, including Victoria Police, FRV, the CFA, the BPC and VicRoads. We also provide advice to local councils, water authorities and schools.

We advise on subjects including:

- electrical installation enquiries (domestic, commercial and industrial)
- high voltage sites
- the distribution network
- wind and solar farms
- data centres
- battery energy storage systems (domestic and commercial)
- domestic solar and hot water upgrades
- gas installations in high-rises, schools, commercial kitchens, hospitals and factories
- rural liquefied petroleum gas (LPG) installations.

Gas practitioner engagement

Energy Safe provides gas practitioners with the latest advice, information and updates affecting the gas industry. We regularly speak at TAFEs and RTOs to ensure future licensed gasfitters understand gas installation requirements in Victoria and our safety expectations. We also present to councils and their local communities.

During 2025–26, we attended or presented at 21 events across the state. Some highlights included:

- presenting to Certificate II, III and IV Plumbing students
- speaking to Certificate IV Type A Appliance Servicing students
- presenting gas industry updates and the Energy Safe Victoria Teacher Excellence award at the Plumbing, Sheetmetal and Coppersmithing Instructors Association conference
- presenting 2 plumbing apprentices with Energy Safe Certificate IV Gas scholarships at Apprentice Awards night at Southwest Tafe
- presented Energy Safe awards to first- and second-year plumbing and gas fitting apprentices at the Apprentices Awards night at SuniTafe.

Equipment and appliances

Prosecution

Energy Safe successfully prosecuted a company in relation to supplying or installing unsafe equipment and appliances. This prosecution was part of our enforcement work to ensure that equipment and appliances used in the Victorian community are safe.

Energy Safe v Home Tanning Australia Pty Ltd

Home Tanning Australia Pty Ltd was fined $2,000 without conviction in Moorabbin Magistrates' Court in October 2025 after failing to provide information to show products it sold were compliant with the Electricity Safety Act, the Electricity Safety (Equipment Safety Scheme) Regulations 2019 and the relevant standards.

Home Tanning Australia is an online retailer that sells solariums and collariums (sun beds) through its website sunbeds.com.au.

In December 2023, Energy Safe received a complaint about a collarium purchased through the Home Tanning Australia website which did not appear to comply with the relevant Australian Standards and may not have been electrically safe when connected to the electricity supply.

Energy Safe started an investigation and sought information from Home Tanning Australia via a statutory notice requiring it to give information and documents to Energy Safe. However, despite repeated efforts to contact the company, it failed to respond to the notice.

A full list of prosecutions undertaken during 2025–26 can be found in Section 4 Other disclosures.

Strengthening safety of lithium-ion powered e-transport devices

During 2025–26, Energy Safe progressed work to address emerging safety risks associated with lithium-ion powered e-transport devices, including e-bikes and e-scooters.

We undertook public consultation on a proposal to declare these devices as 'controlled electrical equipment' under section 55 of the Electricity Safety Act. This would require devices to be certified to safety standards and appropriately marked before being supplied in Victoria.

The submissions we received demonstrated strong community and industry support for stronger regulatory arrangements. They also highlighted the importance of nationally consistent requirements to avoid fragmented and duplicative approaches.

In response, we have refined our approach and are now focusing our efforts on engagement with Australian Government and state and territory regulators to support the development of an interim national response. This work supports the development of harmonised regulatory arrangements that strengthen public safety in relation to e-transport devices while minimising unnecessary regulatory burden on industry and consumers.

Residential solar installation inspections

Energy Safe works closely with Solar Victoria on residential solar and battery system installation safety. We ensure residential solar systems are safe through site inspections, education and enforcement.

With Solar Victoria's daily installation data, we attended sites when installations were taking place to identify breaches of the Electrical Safety Act. We also educated industry about key obligations, including apprentice supervision, licensing and inspection requirements. We used an online mapping tool to highlight where high-risk installations occurred as well as an online data-gathering tool that allowed us to instantly collect data from site inspection findings.

During the 2025–26 financial year, we visited 20 solar and battery installations. During these visits, we identified 4 breaches of the Electricity Safety Act or regulations, and we took enforcement action by issuing 4 infringement notices in relation to renewable installations.

Battery installation safety

In 2025–26, Energy Safe has seen a marked increase in customer complaints and technical compliance enquiries in relation to battery installation. This follows Victoria's rapid expansion of the residential battery market, particularly following Australian Government incentives, including the Cheaper Home Batteries Program, which has been expanded. In addition, the applicable standards are technically complex.

Consequently, we have seen a large volume of enquiries from consumers and installers clarifying their compliance obligations rather than reporting incidents. There is uncertainty from industry and customers about the correct installation, inspection and certification for battery systems.

Our data suggests that there has been a rapid, rather than gradual, increase in enquiries.

In the 3 months before the Cheaper Home Batteries Program was expanded (April to June 2025) we received 23 calls about batteries to the Technical Advice Line. This jumped to 110 calls from July to September 2025, after the program was expanded. The call numbers continued to increase and we answered 629 calls related to residential batteries during the 2025–26 financial year.

At the same time, we have observed an increase in residential battery installations. In April to June 2025, we saw 2,260 COES for residential battery installations, which jumped to 16,925 from July to September 2025, after the program's expansion. These figures have continued to rise, with 93,853 COES issued in 2025–26 for residential battery installation. We have also seen a steady rise in complaints related to residential battery installation. In the 2024 calendar year, we had a total of 29 complaints compared to 229 in 2025–26.

Electrical Equipment Safety System

Australia's modernised Electrical Equipment Safety System (EESS) platform became fully operational in September 2025. The EESS platform provides a public database to verify compliant products, registers responsible suppliers and records the certification and registration of largely imported electrical equipment. The upgrade added new regulatory capabilities such as audit recording, incident reporting and improved data accuracy and traceability. This significantly strengthens national coordination, compliance and the ability to prevent unsafe electrical products from entering the Australian market.

The scheme helps keep the community safe by making sure electrical products meet strict safety standards before they are sold in physical stores or online. Suppliers are registered and equipment is certified in the platform. Consumers can also check if products are approved for sale. All approved electrical items display the Regulatory Compliance Mark, confirming they meet legal safety requirements.

Energy Safe hosts and maintains the EESS website and associated systems for all jurisdictions in Australia and New Zealand. Developing the scheme was a complex project which started in 2020.

Now that the updated EESS platform has been fully implemented, the focus will be on maintaining the system and making technical improvements to enhance the user experience.

Check testing program

Energy Safe undertook a check testing program that was developed to support the EESS. The program aimed to validate that the electrical equipment offered for supply on the market is compliant to the relevant standard and safe to be connected to the electricity supply.

The program covered:

- 5 equipment classes
- 90 separate models of electrical equipment
- assessment to 7 different standards.

We sourced or purchased 920 products from the market – including both bricks and mortar and online businesses. These samples were delivered to accredited electrical test laboratories that assessed the products to one or more of the 7 standards identified to be applicable to the electrical equipment.

The test laboratories then issued test reports for the assessment of these products. Any non-compliances identified were investigated by the electrical equipment safety team and any safety concerns were prioritised.

Electrical equipment inspections

In 2025–26, we continued our work to reduce electrical equipment fires and improve electrical appliance safety. We conducted 28 inspections of electrical equipment that were involved in a fire or electric shock incident. Where we could identify the supplier of the equipment, we raised the relevant safety concerns with them. We shared all inspection reports with interstate regulators for consideration in their respective jurisdictions.

We issued 93 notices to suppliers requesting compliance documentation and other relevant information to help determine if appliances were compliant.

As a result of our enquiries, the suppliers took a number of actions, including registering the equipment on the EESS register, making their products compliant, removing the products from supply, or recalling the product.

We issued 30 warning letters to suppliers that supplied or offered to supply non-compliant electrical equipment on the market. These suppliers removed the non-compliant equipment from supply.

We work with marketplace operators, such as Amazon, to increase their awareness of compliance requirements for electrical equipment safety. We ask them to provide this information to the businesses that sell on their platforms.

Electrical appliance safety recalls

The Australian Competition and Consumer Commission (ACCC) is the lead regulator for product recalls in Australia.

In 2025–26, Energy Safe assisted with 9 recalls of electrical equipment that are at risk of causing electric shock or fires. Energy Safe investigations and work with the suppliers led to most of these recalls.

Tesla Powerwall battery recall

Energy Safe provided technical expertise and support to the ACCC in relation to the Tesla Powerwall 2 recall. Tesla identified a defect in LGM48F (cylindrical) lithium-ion battery cells supplied by a third-party supplier between August 2019 and November 2021. These cells may develop excessive lithium plating, leading to cracks, internal shorting and thermal runaway. Incidents have resulted in smoking or flames from a small number of Powerwall 2 units, causing minor property damage but no reported injuries.

There have been no incidents in Victoria, however there have been incidents reported in South Australia, New South Wales and Western Australia

The ACCC published the Tesla Powerwall 2 recall on 16 September 2025.

Tesla's remedy is a software update which remotely identifies affected batteries, discharges and locks them out of service to reduce safety risk. Meanwhile, Tesla arranges free replacement batteries for impacted customers. In Victoria the replacement rate is 75%.

Online point-of-sale audits – electrical

Energy Safe is responsible for ensuring the safety of electrical appliances, including household electrical appliances, in Victoria.

In addition to the check testing program, we regularly audit both physical and online stores that sell electrical equipment to ensure the products sold are compliant. During 2025–26, we audited 60 stores and reviewed 573 different pieces of electrical equipment.

We found that 50% of the audited stores were supplying equipment that was not registered or certified.

We made enquiries which resulted in the suppliers taking a number of actions, including registering the equipment on the EESS register, certifying their products or removing the products from supply.

Certified gas appliance register

The GTRC National Certification Database provides a register of certified gas appliances and components recognised under the Australian Gas Equipment Certification Scheme. Energy Safe provides operational support for this important source of certification information, which is used by a broad range of stakeholders.

As part of a comprehensive cybersecurity review of all information technology systems managed by Energy Safe, the gas equipment database was identified as presenting a significant risk. The review found several vulnerabilities relating to the database's security, resilience and long-term availability. While the equivalent electrical equipment database was replaced with a modern system (the EESS) several years ago, the gas equipment database had remained unchanged for more than a decade.

Following consultation, all Australian members of the GTRC agreed to contribute funding to the project. Energy Safe engaged an external provider to develop a replacement database and provide ongoing maintenance and security support.

The new database, which launched in May 2026, will help ensure this critical certification information remains secure, reliable and publicly accessible into the future.

Online point-of-sale audits – gas

Energy Safe's gas installation and equipment safety team continued to audit gas appliances made available for sale online for the appropriate acceptance and labelling. In addition, we conduct both proactive point-of-sale site audits of common marketplaces and reactive audits in response to notifications from the community.

In 2025–26, our continuing focus has been on prohibited appliance types, such as open-flued gas space heaters, and on smaller consumer appliances, such as common camping and butane cannister cooking appliances. We audited 8 online retailers and reviewed more than 200 different pieces of gas appliances.

We identified 36% of appliances audited were prohibited open-flued space heaters and flueless space heaters. We liaised with the marketplace operators to remove the listings.

Gas appliance safety recalls

In 2025–26, Energy Safe worked with the ACCC to continue monitoring of recalls for 4 gas appliances as part of our ongoing commitment to product safety.

In 2025, the ACCC published a recall notice for the Coolabah area gas heater as it lacked a compliant separation barrier, which is required to mitigate the risk of gas supply having a direct pathway to ignition sources. Our team worked to stop the heaters from being sold by ALDI stores after only 3 days of availability to the public.

We are still managing the recall with the ACCC.

These recalls are part of our continued surveillance of both new and existing gas products. We also track the effectiveness of recalls by comparing the number of units sold to the number successfully recovered from the market.

Gas installation and equipment safety

Energy Safe is responsible for ensuring that all new and existing complex gas installations are safe and meet requirements in the applicable Acts and Regulations. We assess applications for complex gas installations and Type B gas appliances, which must be accepted by Energy Safe before the installation or appliance is commissioned.

A Type B gas appliance is generally used in industry or large commercial settings. Examples include steam boilers, pizza ovens, coffee roasters or spray booths. Complex installations are generally determined by the building classification and include limitations on floor levels and total gas consumption. Examples of complex installations include schools, hospitals, nursing homes, food vans, house boats and restaurants.

During 2025–26, we received 3,228 applications. Of these, 2,606 complex and 514 Type B gas applications were closed, with 1,747 gas applications inspected. The average compliance rate of inspections for 2025–26 is 86%.

Community

Community insights research

In September 2025, Energy Safe commissioned independent research to establish baseline measures of community awareness, trust and confidence in our regulatory role, and Victorian householders' energy safety knowledge and behaviour at home. Our research partner surveyed 2,207 Victorians, with the sample weighted to be representative of the Victorian adult population.

The research found that 76% of Victorians are at least somewhat aware of Energy Safe, though understanding of our specific roles and activities remains mixed. Most Victorians are aware of common energy safety risks in the home, but just under half had taken action to address them, with cost, difficulty finding reliable tradespeople and a lack of information identified as the main barriers.

The findings confirm that increasing community engagement and awareness of energy safety risks will also strengthen trust and confidence in Energy Safe as a regulator. Insights from the research are now informing priorities across our Safety at Home and Service First strategic programs and have established baseline data against which we will track progress through to 2028.

Public safety campaigns

To support our enforcement and compliance work, Energy Safe produces public safety campaigns to educate the community on safe energy practices and raise awareness about the risks associated with energy usage.

Solar safety campaign

In 2025–26 the creative approach for our solar safety campaign was refreshed to communicate a more serious tone than the previous campaign. The new campaign messaging encouraged people to make the call and hire an A Grade electrician to service rooftop solar systems.

The campaign is backed by research which showed that there is low awareness of the need for servicing solar systems. Some owners didn't understand that wiring issues may go undetected and reduce the output of systems or lead to house fires. In 2024, there were 57 house fires in Victoria related to wiring issues with unserviced rooftop solar systems.

The campaign was supported by Solar Victoria and ran between September and November 2025 across streaming and subscription TV, YouTube, social media, online, outdoor billboards and regional print newspapers.

Lithium-ion battery safety campaign

In 2025–26, we ran our lithium-ion battery safety campaign for a second year, encouraging Victorians with e-transport devices to charge their lithium-ion batteries safely.

The campaign, titled *Before you know it*, raised awareness of the extreme danger of charging e-transport devices with incompatible chargers. The campaign encouraged owners to always use the battery and charger recommended by the manufacturer.

The campaign was supported by the CFA and FRV, which report that they respond to one lithium-ion battery-related fire every day.

Following the evaluation of the 2024–25 campaign, the advertising placement for the 2025–26 campaign targeted younger people, as we found they were at the greatest risk of harm.

Between January and March 2026, the campaign ran across streaming and subscription TV, YouTube, cinema, social media, online, outdoor billboards and regional print newspapers.

Home electrical safety campaign

Our *Don't do it yourself* campaign focuses on safe electrical work in the home by encouraging DIY enthusiasts to always hire a licensed electrician to carry out the work. The previous campaign ran from 2019 to 2024 and was refreshed for 2026 following research into the motivation of people who do their own electrical work.

Research showed that some people who do their own home renovations have a misplaced sense of confidence in their ability to complete electrical work, either because they've seen a YouTube video or discussed how to do an electrical job with a friend in the trade. The research showed that an increasing number of women and people from multicultural backgrounds are attempting this work.

The refreshed campaign aimed to sow seeds of doubt in their ability to do this work safely, and says firmly that there is no grey area when it comes to electrical work – it is dangerous.

The campaign ran over May and June 2026 on screens in hardware stores and on social media, podcasts, TV streaming and in regional newspapers.

Safety audits of public events

Energy Safe conducts proactive safety audits of major public events to ensure that gas and electricity installations are safe. Public events are high risk due to the large volume of people gathered in one place and the temporary nature of the event infrastructure.

The goal of our electrical and gas audits is to identify any defects or non-compliance with the minimum requirements that could pose a risk to the safety of event workers and attendees. We work with event organisers and contractors to ensure they are aware of and mitigate the risks related to gas and electricity. We also ensure events adhere to a range of legislation and standards.

Our gas and electrical authorised officers play a crucial role in educating event operators and the public on constructing and operating temporary event installations in accordance with Australian Standards. Energy Safe conducts risk assessments of event schedules and audits those deemed to be high risk.

During 2025–26, some of the high-profile event audits included:

- Australian Open
- Victorian Caravan and Camping Supershow
- Moomba Festival
- Formula 1 Australian Grand Prix
- St Kilda Festival
- Melbourne Royal Show
- Phillip Island MotoGP.

Authorised officers report our findings to the event organisers and contractors after each audit so they can be rectified immediately to ensure a safe and compliant event.

Guidance for using energy safely on boats

Energy Safe, the BPC and Safe Transport Victoria all have a role in regulating the safety of certain types of marine craft, including recreational boats.

In March 2026, we updated guidance about how to ensure that gas and electricity is used safely on and around boats.

This includes always using a licensed gasfitter to service, maintain or alter any gas installations, ensuring ventilation is not restricted when using gas appliances or generators, taking proactive steps to reduce the risk of carbon monoxide poisoning, and having the boat safety checked annually by a licensed electrician.

Energy Safe monitors compliance of LPG installations on recreational boats when gas is not used to propel the craft. Any work carried out on gas installations on boats must be accepted by Energy Safe prior to commissioning.

Cross-cutting

Legislative reform

Energy Safety Roadmap

The Victorian Government published the *Energy Safety Roadmap* in December 2025, following the Energy Safety Review led by DEECA. The roadmap sets out a program of reforms to ensure Victoria's energy safety framework remains fit for purpose through the transition to greater use of renewable sources.

Energy Safe was an active contributor to both the review and the development of the roadmap. Many of the actions identified in the roadmap will be implemented by or directly impact Energy Safe, including regulatory, policy and operational reforms.

In the first half of 2026, Energy Safe continued to work closely with government to support implementation of the roadmap. This included identifying future legislative reforms required to support a modern, effective and risk-based energy safety framework.

Network Resilience Plan legislation

In March 2026, the *Energy Legislation Amendment (Resilience Reforms and Other Matters) Act 2026* was passed by the Victorian Parliament. The Act establishes a new regulatory framework to strengthen the accountability of electricity distribution companies delivering resilience projects and improve transparency for Victorian communities.

Under the framework, distribution companies that have funding for resilience projects approved by the Australian Energy Regulator must prepare and submit Network Resilience Plans to Energy Safe for acceptance. These plans are expected to outline how the companies will deliver their approved resilience projects, with clear commitments for monitoring and enforcement purposes. Distribution companies must also publish their accepted plans and annual progress reports.

Energy Safe's role under the framework is to assess and accept Network Resilience Plans and to monitor and enforce compliance with accepted plans. Civil penalties can apply where a distribution company fails to take all reasonably practicable steps to comply with its accepted plan and deliver its resilience projects.

The framework is expected to commence in 2026–27, once the Victorian Government finalises the supporting regulations.

Information about our implementation activities can be found in the Energy Networks section of this report.

Energy and Land Legislation Amendment (Energy Safety) Act 2025

On 1 April 2026, the final provisions of the *Energy and Land Legislation Amendment (Energy Safety) Act 2025* commenced, further strengthening Energy Safe's regulatory powers to respond to emerging energy safety risks.

The reforms include new powers for Energy Safe's Chairperson and authorised officers to issue prohibition notices under the Electricity Safety Act, enabling the immediate cessation of activities that present a serious or imminent safety risk.

The amendments also enhance the powers of Energy Safe's authorised officers, including a broader scope of improvement notices and enhanced entry powers.

These reforms strengthen our ability to identify, prevent and respond to risks, supporting a more proactive and effective regulatory framework.

Developing our People

Energy Safe strengthened our organisational capability this year through Developing our People, a program building leadership and frontline skills.

We developed the Leadership Capability Framework, setting a consistent, evidence-based standard for what good leadership looks like at every level of Energy Safe. We then delivered a leadership development program to our leaders, lifting leadership confidence, people management skills and consistency.

Meanwhile, in March 2026, all authorised officers completed training on new legislation and expanded regulatory powers. This equipped our 120 authorised officers with the knowledge and practical tools to apply these powers effectively.

The training was built around a new manual, which was developed to ensure authorised officers understood their powers and how to use them confidently and correctly. These new powers came into effect on 1 April 2026.

Online training for emergency management

Energy Safe has a role in ensuring energy safety during emergencies and works with other Victorian Government agencies to provide advice and subject matter expertise.

During 2025–26, we redesigned our emergency management training to ensure our duty managers have the skills and tools to know what to do when an emergency situation happens.

We developed 5 courses in-house that are delivered digitally to allow employees to access them when and where they want to.

The new courses cover what emergency management is, the state emergency arrangements, the management of class 2 energy emergencies, state gas emergencies and state electricity emergencies.

New or updated standards

Energy Safe has continued to contribute its technical and regulatory knowledge to the development of best practice national and international standards that are robust and provide an acceptable level of safety. At the forefront is emerging and renewables technologies and their interfaces with traditional energy systems. Traditional energy systems will also face a changing risk profile during the transition to renewable energy.

Energy Safe maintains representation to 50 Standards Australia committees, either directly or through a nominating organisation, and supports Australian representation to a further 4 International Organization for Standardization (ISO) or International Electrotechnical Commission (IEC) committees.

Through this, we support development and ongoing maintenance of 825 Australian Standards (including Australian/New Zealand Standards), along with 563 ISO or IEC standards or other publications.

Recent notable work includes expanding gas installation scope and appliance specification to include hydrogen gas and admixtures with natural gas, as well as standards related to the safe installation and use of:

- lithium-ion batteries
- wind energy generation systems.

At the international level, our subject matter experts continue to contribute to international standards development, supporting the Victorian Government's commitment to adopting international standards and meeting obligations under the World Trade Organization Agreement on Technical Barriers to Trade. This includes active participation in the Joint Regulatory Advisory Committee on Electrical and Electronic Equipment under the Asia-Pacific Economic Cooperation Sub-Committee on Standards and Conformance, in collaboration with the Department of Industry, Science, Energy and Resources. These efforts align with the Safety at Home program, promoting the supply of compliant and safe electrical equipment to consumers

Five-year financial summary

The table below outlines our five-year financial summary and current year financial review.

Five-year financial summary

	2025–26 $'000	2024–25 $'000	2023–24 $'000	2022–23 $'000	2021–22 $'000
Total income	87,536	79,465	75,409	58,707	57,877
Total expenses	(78,303)	(75,437)	(74,210)	(67,664)	(54,588)
Net result from transactions	9,233	4,028	1,199	(8,957)	3,289
Other economic flows	(77)	125	(223)	(153)	(59)
Comprehensive result	**9,156**	**4,153**	**976**	**(9,110)**	**3,230**
Total assets	44,659	37,578	31,156	26,610	35,149
Total liabilities	(19,118)	(21,193)	(18,924)	(15,354)	(14,783)
Net assets	**25,541**	**16,385**	**12,232**	**11,256**	**20,366**

Current year financial review

Overview

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of Energy Safe.

We operate by fully recovering our costs from industry; we do not receive any government appropriation. We generate income from levies raised on industry, in accordance with relevant legislation and determinations made by the Minister for Energy and Resources. In addition, we earn income from the sale of certificates and the issue of licenses to electrical workers. The most significant element of our expenditure base relates to employee costs. Our aim is to manage our resources to renew and enhance our asset base and improve the efficiency of the services provided to industry.

Financial performance and business review

In 2025–26, we recorded a net result from transactions of a surplus of $9.2 million, which is an increase of $5.2 million compared to 2024–25.

Income from transactions increased by $8.1 million (10.2%), with 59.8% of income raised through levies and 32.4% from fee income. The remaining income came from grant, interest and other income. Overall, levy income in 2025–26 was 10.5% higher than 2024–25, reflecting the approved rate of increase. Fee income in 2025–26 was 16.5% higher than 2024–25, reflecting the approved rate of increase and economic activity. Grant income decreased by 33.0%, reflecting recognition of grant revenue as specific performance obligations in contracts being met. Interest and other income increased by 63.3%, as interest rates on deposits held were higher than expected throughout the year and the cash balance increased.

Expenses from transactions increased by $2.9 million (3.8%). This was mainly driven by: increased information services of $2.7 million, reflecting investment in systems builds and upgrades together with higher systems operating costs; increased employee benefits of $1.3 million, reflecting the impact of the Enterprise Agreement increases; and was partly offset by decreased contractors spend of $2.0 million, primarily due to the completion of the new office move in the previous financial year and the phasing of delivery on strategic initiatives; and a net increase of all other expenses of $0.9 million.

Financial position – balance sheet

Our net assets increased by $9.2 million (55.9%) from the 2024–25 financial year to $25.5 million.

The increase in total assets, by $7.1 million (18.8%), was mainly due to higher cash held due to the cash generated from operating activities net of capital and leasing expenditure, together with an increase in intangible assets.

Total liabilities decreased by $2.1 million (9.8%), mainly due to a decrease in payables due to the timing of invoice payments at year-end and a decrease of lease liabilities associated with office and motor vehicle leases.

Our financial position remains strong, and we maintain a minimum cash buffer to ensure we can meet our financial commitments. Our Corporate Plan reflects our intent to maintain our long-term financial sustainability and adequate cash reserves.

We had no borrowings at 30 June 2026.

Cash flows

We generated a net cash inflow of $9.0 million during the year, compared to a net cash inflow of $2.6 million during 2024–25. Of this, $11.7 million cash inflow was generated from operating activities, while $1.3 million was spent on the purchase of non-financial, largely intangible assets, and $1.4 million on lease repayments.

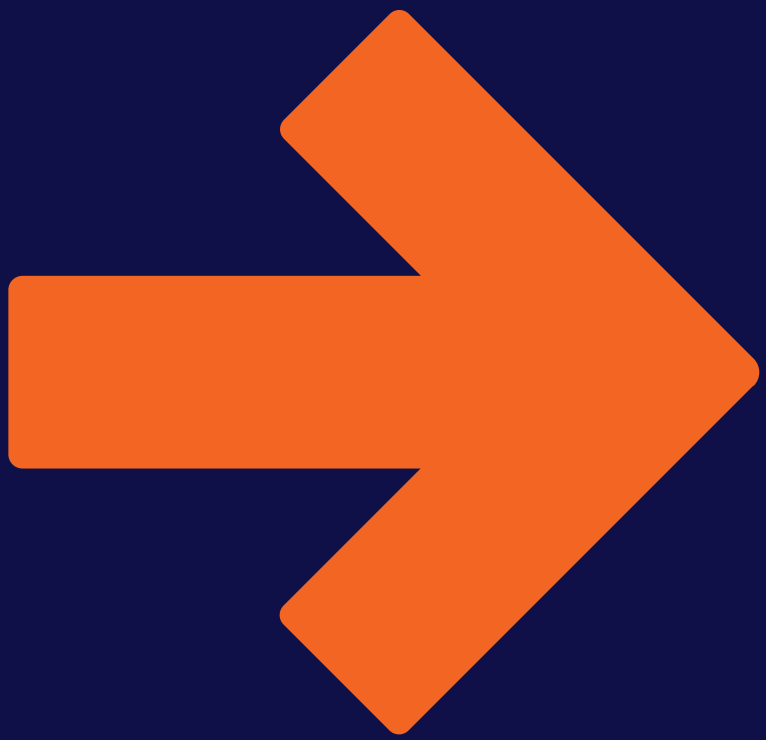
Our cash holdings are invested according to the requirements of the Department of Treasury and Finance.

Significant changes or factors affecting performance

There were no significant changes or factors affecting our financial performance during the reporting period.

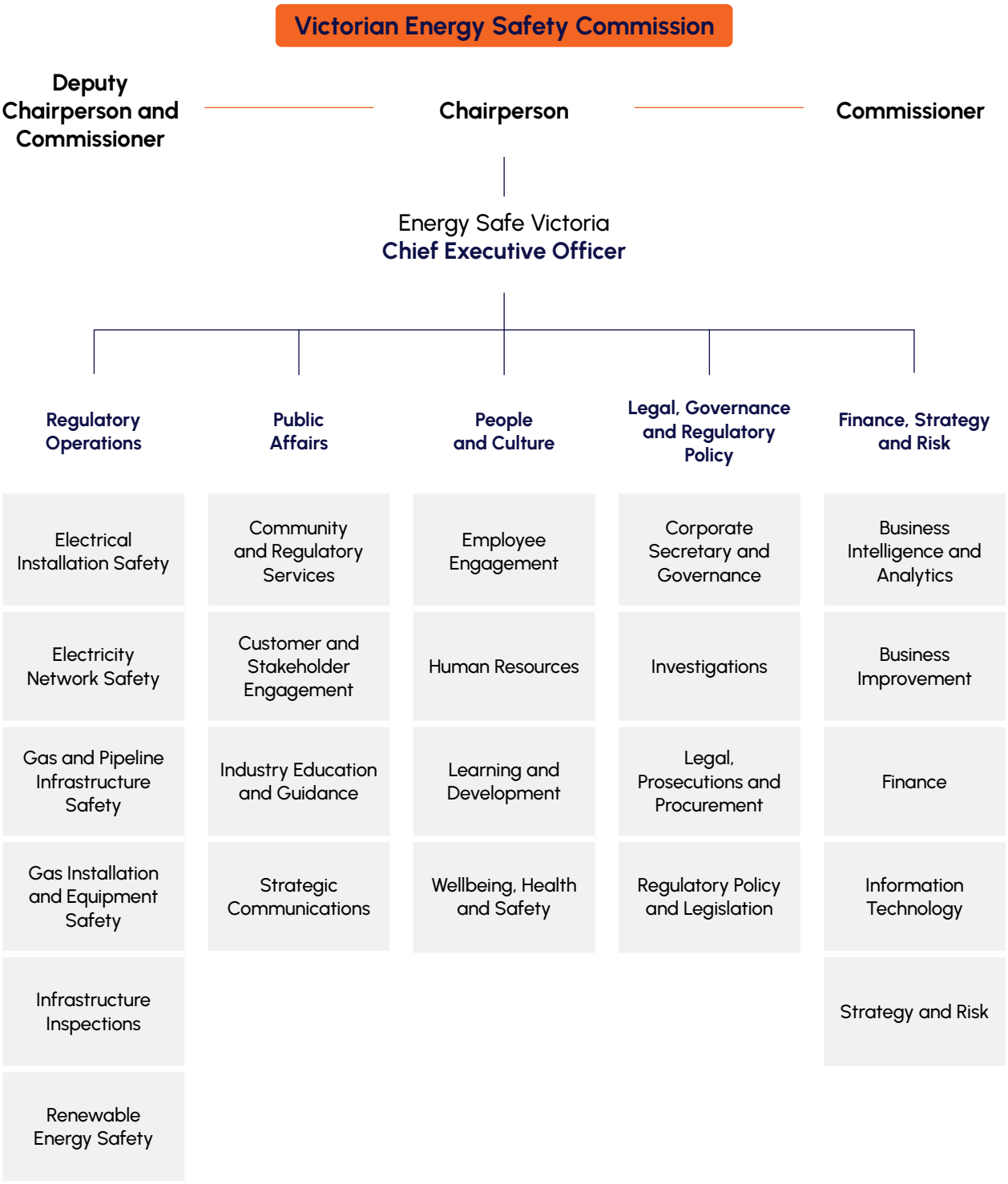
Section 2

Governance and organisational structure



Organisational structure

Our organisational structure as at 30 June 2026



Commissioners

Monique Conheady, Commissioner and Chairperson

Monique Conheady is an experienced non-executive director and chair, serving on the governing boards of various government agencies and innovative startups. In addition to her role with the Victorian Energy Safety Commission, Ms Conheady is Deputy Chair of Melbourne Water, a board member of Breakthrough Victoria, Chair of JET Charge (Australasia's largest electric vehicle charging infrastructure company) and a Director of Hysata (a green hydrogen electrolyser business). Ms Conheady has a Bachelor of Engineering and a Bachelor of Arts.

Ms Conheady was appointed in August 2023 until 31 July 2028.

Michelle Groves, Commissioner and Deputy Chairperson

Michelle Groves has more than 30 years' experience in energy market reform and regulation. Prior to becoming a Commissioner with the Victorian Energy Safety Commission, Ms Groves was the Chief Executive of the Australian Energy Regulator for nearly 15 years and a director at the National Competition Council. Currently, she is also a member of the Governing Body of the Economic Regulation Authority of Western Australia. Ms Groves has a Bachelor of Arts, Bachelor of Law and Master of Law.

Ms Groves was re-appointed in November 2024 until 31 December 2027.

Committee membership

– Chair of Audit and Risk Committee

Sarah McDowell, Commissioner

Sarah McDowell has 20 years' experience in energy regulation, serving as the Energy Executive Director at the Essential Services Commission before joining the Victorian Energy Safety Commission. She also served on the Board of Sustainability Victoria, the Victorian Division Council of the Australian Red Cross, and advises governments on regulatory design and implementation. Ms McDowell has a Graduate Diploma in Law, a Bachelor of Commerce and a Bachelor of Arts.

Ms McDowell was re-appointed in November 2024 until 31 December 2029.

Committee membership

– Chair of Remuneration Committee

Commission and commission committee meeting attendance for 2025–26

		Commission committees	
Commissioner	**Commission meetings**	**Audit and Risk**	**Remuneration**
M Conheady	10/11	5*	2*
M Groves	11/11	5/5	1*
S McDowell	11/11	1*	2/2

Note:
* Attended in an ex-officio capacity, without member voting rights.

Executive Leadership Team

Leanne Hughson, Chief Executive Officer

As Chief Executive Officer, Leanne Hughson leads Energy Safe's day-to-day operations to ensure a safer energy future for our state.

Ms Hughson is an experienced safety regulator and has overseen an increase in Energy Safe's capability and capacity, introduced an enhanced compliance and enforcement approach and increased engagement with industry and the community. Ms Hughson chairs the Regulators Taskforce for Victoria's Transition to Renewable Energy. Previously, she fulfilled various roles at WorkSafe Victoria, including General Counsel, Executive Director of Health and Safety and Chief of Transformation. She was the Commander of Compliance and Enforcement in Victoria's COVID-19 response. Ms Hughson holds a Bachelor of Arts and Laws, a Master of Taxation and is a graduate of the Harvard Business School and the Australian Institute of Company Directors.

Ms Hughson is an IPAA Victoria Board member, serving as Treasurer and Chair of the Audit, Finance and Risk Committee. She is also a member of the Executive Committee.

Ms Hughson has served in her current position since April 2021 and was reappointed for a further 5-year term until October 2030.

Kristy Atlana, General Manager, People and Culture

Kristy Atlana is responsible for the organisation's people strategy, culture and workforce initiatives across human resources, occupational health and safety, learning and development, employee engagement and organisational development. Ms Atlana has extensive people and culture experience across the private and public sectors, with a strong focus on building capability, fostering engagement and driving high-performance, values-driven workplaces. She is currently completing a Master of Human Resource Management (Leadership) at Deakin University.

Ms Atlana has held her current position since November 2025.

Ian Burgwin, General Manager Regulatory Operations

Ian Burgwin is responsible for overseeing the safety of electricity, gas and pipeline networks, renewable energy and electrical and gas equipment and appliances. Before joining Energy Safe, he served as Operations Director during the construction and commissioning of Basslink and as a senior consultant with AECOM. He has worked in senior engineering and management positions in the United Kingdom, Africa and New Zealand.

Mr Burgwin holds a British Higher National Certificate in Electrical and Electronic Engineering. He chairs the Victorian Electrolysis Committee and the Electrical Regulatory Authorities Council.

Mr Burgwin has held his current position since May 2023.

Steve Cronin, General Manager Finance, Strategy and Risk

Steve Cronin is responsible for Energy Safe's information technology, finance, strategy, corporate planning, enterprise risk management, and performance monitoring and reporting. Mr Cronin joined Energy Safe after extensive experience in the energy sector, including the Australian Energy Market Operator and VenCorp. He has worked in management roles in corporate strategy, gas and electricity network planning, power systems operations, investor relations, business development and project management. He holds a Bachelor of Science in Engineering.

Mr Cronin has held his current position since May 2023.

Mikala Hehir, General Manager, Public Affairs

Mikala Hehir is responsible for the organisation's marketing and communications, stakeholder engagement and partnerships, industry education and guidance, and community and regulatory services, including licensing operations, COES, and the management of complaints and public enquiries. She has management experience in corporate affairs, sustainability, strategy and customer experience, having previously worked across multiple organisations and sectors. She holds a Bachelor of Arts (Hons) and a Postgraduate Diploma in Public Relations.

Ms Hehir has held her current position since January 2026.

Michelle McCorkell, General Counsel and General Manager Legal, Governance and Regulatory Policy

Michelle McCorkell leads Energy Safe's legal, governance, regulatory policy, major investigation, legislative reform and procurement functions. She is also responsible for governance advice and secretariat services to the Commission, and oversees litigation, prosecutions and key compliance functions, including public interest disclosures, freedom of information and privacy. Before joining Energy Safe, she was a Special Counsel at a major Australian law firm. She holds a Bachelor of Laws (Hons) and a Bachelor of Arts.

Ms McCorkell has held her current role since January 2021.

Governance committees

The Commission has 2 standing governance committees: the Audit and Risk Committee and the Remuneration Committee. Both committees have governance and oversight responsibilities outlined within their respective charters.

Audit and Risk Committee

The Audit and Risk Committee is established in accordance with the requirements of Standing Directions 2018 under the *Financial Management Act 1994* (Direction 3.2.1: Audit Committee).

The Committee is directly responsible and accountable to the Commission for the exercise of its responsibilities. These include but are not limited to:

- independently reviewing and assessing the effectiveness of Energy Safe's systems and controls for financial management, performance and sustainability, including risk management
- determining the annual work plan and scope of the internal audit function and ensuring resources are used effectively
- maintaining effective communication with external auditors (including the Auditor-General and the Auditor-General's duly appointed agents and representatives)
- considering recommendations made by internal and external auditors and ensuring Energy Safe's actions to resolve issues are reviewed regularly
- reviewing the annual financial statements and monitoring compliance with the Financial Management Act
- overseeing the effective operation of the Victorian Government Risk Management Framework.

Members of the Audit and Risk Committee are:

- Michelle Groves (Chair)
- Elizabeth Grainger (Independent member)
- Justine Bree (Independent member)
- Joanne Pearson (Independent member).

Remuneration Committee

The Remuneration Committee assists the Commission to fulfil its governance responsibilities by ensuring it has executive remuneration policies, guidelines and practices in place that are consistent with government policy. It provides independent advice, assurance and assistance to the Commission and the Chief Executive Officer on executive remuneration and employment matters to ensure best practice principles are applied across Energy Safe.

Members of the Remuneration Committee are:

- Sarah McDowell (Chair)
- Karen Haywood (Independent member)
- Joanne Barber (Independent member).

Legislative committees

Victorian Electrolysis Committee

(Established under section 91 Electricity Safety Act until 31 March 2026.)

(Re-established under section 8 Energy Safe Victoria Act from 1 April 2026.)

The Victorian Electrolysis Committee provides advice to Energy Safe on electrolysis, the regulations relating to cathodic protection and the mitigation of stray current corrosion. This includes the establishment and maintenance of system standards.

The Committee is chaired by the member representing Energy Safe and consisted of up to 8 members representing various industry groups appointed by the Minister until 31 March 2026. The final meeting of the Committee was held on 31 March 2026 after the legislative provisions requiring the Committee to be established were revoked.

Energy Safe re-established the Committee under section 8 of the Energy Safe Victoria Act from 1 April 2026 under the same terms.

Technical Advisory Committee

(Part 2, Division 3A, Energy Safe Victoria Act)

The Technical Advisory Committee advises Energy Safe on regulatory functions within its scope pursuant to section 22C of the Energy Safe Victoria Act.

This includes but is not limited to:

- improving safety outcomes by using electricity safety management schemes, gas safety cases and pipeline safety management plans
- preventing and mitigating bushfires arising from electrical infrastructure/installations
- developing safety standards and compliance requirements for energy equipment, installations and electrical and gas fitting work
- understanding safety implications arising from the operation of renewable energy sources
- investigating events and incidents that have implications for energy safety
- advising and guiding the electrical and gas industry sectors and community in relation to energy safety
- advising the community on energy safety, where this advice is not already provided by the Electric Line Clearance Consultative Committee, Victorian Electrolysis Committee or any committees established by Energy Safe.

The process for the Minister to appoint new members is ongoing. Members will be sought from a diverse range of relevant backgrounds, including technical, regulatory, safety, industry and community expertise, to support the committee's role in providing advice on a rapidly evolving energy sector. This approach will help ensure advice and feedback are aligned with Energy Safe's strategic priorities, emerging risks and upcoming legislative reforms.

Other committees

In addition to formal committees, Energy Safe has employees who sit on various industry working groups, technical committees, forums and advisory groups. These industry-wide consultative committees provide additional support and guidance to our Executive Leadership Team.

Occupational health and safety

Energy Safe continued to demonstrate a strong commitment to occupational health and safety (OHS) during 2025–26, maintaining a focus on worker health, safety, wellbeing and continuous improvement. Our OHS performance reflects sustained efforts to strengthen safety systems, improve workforce engagement and reduce workplace harm.

Overall, the 2025–26 results indicate positive safety outcomes compared with previous years. Energy Safe continued to improve its safety performance during 2025–26, recording 12 incidents, down from 15 in 2024–25 and 18 in 2023–24. The incident rate per 100 full-time equivalent (FTE) employees also continued to decline, from 8.0 in 2023–24 to 5.6 in 2024–25 and 4.8 in 2025–26.

This sustained reduction demonstrates the effectiveness of our ongoing focus on risk management, hazard prevention and safe work practices. Similarly, the number of workplace injuries decreased to 8 in 2025–26, compared with 10 in the previous year. The injury rate per 100 FTE also improved, decreasing from 4.0 in 2023–24 to 3.7 in 2024–25 and 3.2 in 2025–26. These results indicate a positive trend in reducing workplace harm and reflect the organisation's commitment to maintaining a safe and healthy working environment for all employees.

Importantly, we maintained our strong record of injury management and workers' compensation performance, recording zero compensation claims and zero fatalities during the year. This achievement reflects the organisation's proactive approach to hazard management, employee wellbeing and safe systems of work.

Consultation and workforce participation remained a significant strength. A total of 5 OHS Committee meetings were held during the year, compared with 6 in 2024–25. However, the average participation increased substantially to 88%, up from 72% in the previous year. We also maintained 12 Health and Safety Representatives, supporting ongoing employee involvement in health and safety consultation and decision-making processes.

Performance against OHS objectives and targets was 58% in 2025–26, compared with 78.5% in 2024–25. While the completion rate was lower than the previous year, all planned actions were started during the reporting period. The result reflects the solid foundation of initiatives we built in 2024–25, including developing psychosocial risk management processes and organisational risk registers.

Risk management activities remained consistent, with 4 workplace inspections or internal audits completed during the year. In total, 2 hazards were identified during 2025–26, compared with 10 in 2024–25 and 18 in 2023–24. While this reduction may reflect improvements in workplace controls and risk management practices, we will continue to encourage proactive hazard reporting to ensure hazards are reported early and workplace risks are managed.

Our OHS Management System continued to mature during 2025–26, with 2 new procedures and 2 supporting documents developed and approved. While fewer documents were produced than in 2024–25, this reflects the substantial body of work completed in the previous year and a shift in focus towards implementation, review and continuous improvement of established systems and processes.

Training compliance remained excellent, with 100% completion of both first aid training requirements and Health and Safety Representative training. We also maintained full legislative compliance, with no WorkSafe Victoria notices issued during the reporting period.

During 2025–26, we continued to strengthen our approach to psychosocial health and wellbeing through a psychosocial risk survey, conducting a hazard and risk analysis, developing a psychosocial action plan and implementing a fatigue-management procedure. These initiatives support our broader commitment to creating a safe, healthy and mentally healthy workplace.

In summary, our 2025–26 OHS performance demonstrates a safe and resilient workplace supported by strong governance, effective consultation, comprehensive training and a continued focus on continuous improvement. Reductions in incidents and injuries, together with zero claims, zero lost-time injuries and zero fatalities, represent positive outcomes that reinforce our commitment to providing a healthy and safe working environment for all employees, contractors and visitors.

Incident management

In 2025–26, Energy Safe received reports of 12 incidents, compared to 15 in the previous year. This is a fall in the 3-year average of 15.

OHS key performance indicators

Measure	Key performance indicator	2023–24	2024–25	2025–26
Incidents	Number of incidents	18	15	12
	Rate per 100 FTE	8.00	5.6	4.8
Injuries	Number of fatalities*	0	0	0
	Number of serious injuries^	0	0	0
	Number of injuries	9	10	8
Claims	Rate per 100 FTE	4.0	3.7	3.2
	Number of claims	5	0	0
	Number of lost-time claims	3	0	0
	Average cost per claim	$4,792	$0	$0
Commitment	Objectives and targets completed (%)	47.6	78.5	58
Consultation	Number of OHS Committee meetings	5	6	5
	Average participation (%)	75	72	88
	Number of Health and Safety Representatives	11	12	12
Risk management	Number of internal audits/workplace inspections	4	4	4
	Number of hazards identified	18	10	2
OHS Management System	Number of procedures developed and approved	4	11	2
	Number of associated documents developed and approved	8	4	2
	Number of alerts or fact sheets issued	2	2	0
Training	First aid training completed (%)	100	100	100
	Health and Safety Representatives trained (%)	100	100	100
Legislative compliance	Number of WorkSafe Victoria Notices issued	0	0	0

Notes:
Employee fatalities and serious injuries of employees has been included as one of Energy Safe's key performance indicators. Consequently, fatalities and serious injuries have been included in the table above. A 'serious injury' is classified, in line with the *Occupational Health and Safety Act 2004*, as a WorkSafe Notifiable Incident. A WorkSafe Notifiable Incident includes: death, needing medical treatment within 48 hours of being exposed to a substance, needing immediate treatment as an in-patient of a hospital or being treated for a range of injuries including amputation, serious head injury, removal of skin, electric shock, loss of bodily function or serious lacerations.

* Serious injuries includes all fatalities.

^ Injuries includes all serious injuries.

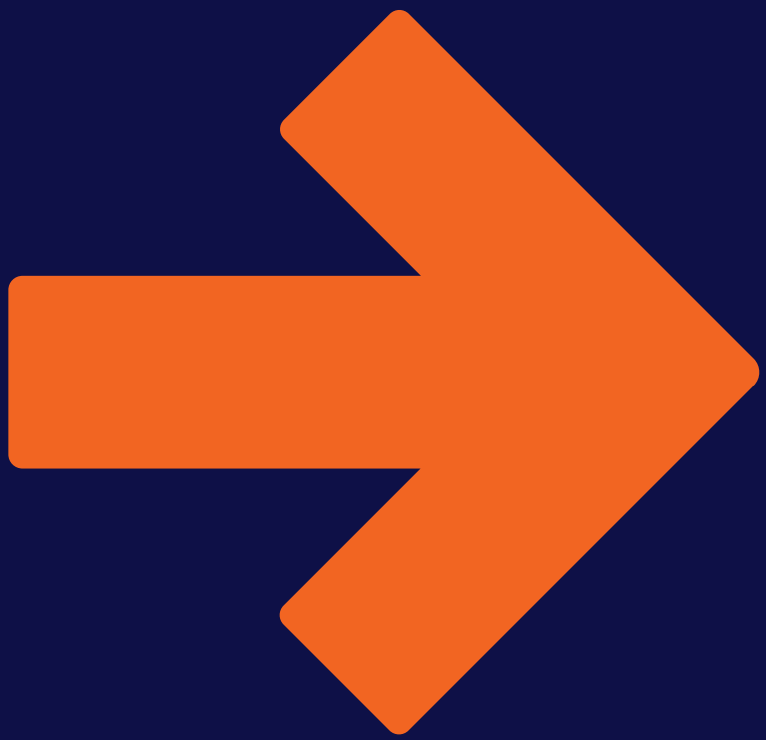
Employment and conduct principles

Energy Safe is committed to applying merit and equity principles when appointing employees. The selection processes ensure applicants are assessed and evaluated fairly and equitably based on the key selection criteria and other accountabilities without discrimination.

Employees have been correctly classified in workforce data collections in Section 3 Workforce data.

Section 3

Workforce data



Public sector values and employment principles

Energy Safe has policies and practices that provide for fair treatment, career opportunities and the early resolution of workplace issues. These are consistent with the Victorian Public Sector Commission's employment standards.

We educate our employees on how to deal with conflicts of interest, offers of gifts and hospitality, and misconduct. We also make clear expectations in the areas of human rights and equal opportunity, as outlined in the Victorian Public Sector Values and the Victorian Charter of Human Rights and Responsibilities.

Workforce diversity and inclusion

Energy Safe is committed to fostering a diverse and inclusive workplace that reflects our values and supports a positive employee experience for all. We continue to focus on strengthening diversity across our workforce and embedding inclusive practices at every level of the organisation.

During 2025–26, the Diversity and Inclusion Council, chaired by Chief Executive Officer Leanne Hughson, played a key role in driving inclusion initiatives, promoting awareness and supporting a culture where people feel respected, valued and able to contribute.

Throughout the year, Energy Safe recognised and celebrated important dates that promote awareness, inclusion and belonging, including:

- NAIDOC Week, celebrating Aboriginal and Torres Strait Islander cultures
- Harmony Day, recognising cultural diversity across our workforce
- International Women's Day, celebrating women's achievements and supporting industry-wide participation
- International Day of People with Disability, promoting accessibility and inclusion
- International Day Against LGBTQIA+ Discrimination (IDAHOBIT), reinforcing allyship and pride
- Midsumma Carnival and March, demonstrating our support for LGBTQIA+ communities.

These initiatives contribute to ongoing conversations about inclusion, reduce stigma around difference and encourage a sense of belonging across the organisation.

We continued to implement our Diversity and Inclusion Strategy, building on the foundations of our Gender Equality Action Plan (GEAP). The strategy focuses on challenging barriers to inclusion, strengthening inclusive leadership capability and embedding inclusive behaviours into everyday practices.

As at 30 June 2026, Energy Safe employed 276 people (compared to 268.93 FTE employees). Women represented 45% of the workforce, an increase from previous reporting periods, reflecting continued progress toward greater gender balance.

Women continued to be strongly represented in leadership roles, including all Commissioner positions and the Chief Executive Officer, and made up a significant proportion of the Executive Leadership Team.

Gender Equality Action Plan

Energy Safe's GEAP aligns with the requirements of the *Gender Equality Act 2020* and is structured around 4 strategic priorities:

- demonstrating visible leadership commitment and accountability for gender equality, diversity and inclusion
- building inclusive leadership capability across the organisation
- embedding gender equality principles into policies, systems and practices
- improving gender balance across all levels through targeted attraction, development and retention strategies.

These priorities guide our actions and support progress against the workplace gender equality indicators.

In 2025–26, Energy Safe continued to make progress in implementing the GEAP and maintained compliance with the Gender Equality Act. Our focus has been on strengthening governance, improving workforce data and embedding inclusive practices across the employee lifecycle.

Key initiatives during the year included:

- delivering awareness and education activities aligned to key diversity and inclusion dates
- supporting inclusive leadership capability through training in unconscious bias, psychological safety and inclusive practices
- promoting flexible work arrangements, with strong uptake across all genders
- undertaking regular pay equity analysis and implementing actions to reduce gender pay gaps
- strengthening inclusive recruitment and promotion practices to improve gender balance
- increasing visibility of diverse experiences through storytelling and internal communications.

Energy Safe also continued to embed inclusive practices into key policies, programs and services, ensuring they meet the needs of people of different genders and backgrounds, including through gender impact assessments.

As part of our ongoing commitment to improving gender balance, women were appointed to a range of leadership and technical roles across the organisation during the reporting period, supporting greater representation in areas where they are traditionally underrepresented.

Energy Safe's 2026 to 2030 GEAP has been submitted to the Commission for Gender Equality in the Public Sector, with implementation commenced in June 2026.

Gender equality and pay equity

Energy Safe is committed to achieving equitable outcomes for all employees, including fair and transparent remuneration practices. As part of our GEAP, we continue to monitor and reduce gender pay gaps across the organisation.

Over the reporting period, Energy Safe has made measurable progress in reducing the gender pay gap across multiple indicators. The mean total remuneration gender pay gap decreased from 15.4% in 2023 to 12.3% in 2025, reflecting improvements in recruitment, progression and remuneration practices.

Significant progress has also been made at senior leadership levels, with the mean total remuneration gender pay gap reducing from 5.7% to 0.6% over the same period, indicating strong movement towards pay equity at the highest levels.

While base salary gaps continue to narrow, further analysis shows that differences in access to overtime, higher duties and additional payments continue to contribute to disparities in total remuneration. Addressing these structural drivers remains a key focus area.

The table on the next page outlines Energy Safe's progress against key gender pay gap measures.

Gender pay gap – progress against key measures

Gender equality performance measure	Target	Baseline (2023)	Actual progress in 2025–26
Mean total remuneration gender pay gap (occupation group)	Ongoing reduction toward pay equity	15.4%	12.3%
Mean total remuneration gender pay gap (senior leaders)	Achieve near parity	5.7%	0.6%
Mean base salary gender pay gap	Continuous reduction	13.7%	10.6%
Median total remuneration gender pay gap	Reduce mid-point pay disparities	25.0%	13.6%
Median base salary gender pay gap	Improve equitable pay distribution	19.8%	13.9%

Reconciliation Action Plan

In May 2026, Energy Safe launched its first Reconciliation Action Plan (RAP). The initiative was led by employees and supported by the Diversity and Inclusion Council. A RAP is a commitment by an organisation to contribute to the reconciliation between Aboriginal and Torres Strait Islander peoples and other Australians.

The launch was an important milestone on our reconciliation journey. Staff gathered at Enterprize Park where Wurundjeri Elder Uncle Perry Wandin welcomed us to Country and led a smoking ceremony to officially open the event. Uncle Perry shared reflections on the history, culture and enduring connection of his people to the land, while the smoking ceremony symbolically cleansed the spirit of attendees.

We developed a Reflect RAP using the First Nations–led Reconciliation Australia framework. A Reflect RAP helps an organisation build a strong foundation for reconciliation by increasing understanding, strengthening relationships and creating opportunities for meaningful action. It prepares an organisation to engage thoughtfully in the reconciliation journey through staff and leadership engagement, learning and reflection.

Our RAP focuses on 4 key areas:

- Relationships – building and strengthening respectful relationships with Aboriginal and Torres Strait Islander peoples, communities and organisations
- Respect – increasing understanding of First Nations cultures, histories, knowledge and experiences across our workplace
- Opportunities – identifying ways to create greater inclusion and participation for Aboriginal and Torres Strait Islander peoples
- Governance – establishing the structures, accountability and leadership needed to support and sustain our reconciliation efforts.

To support delivery of the RAP, we also established a Reconciliation Action Plan Working Group. The group helps bring the plan to life by championing initiatives, monitoring progress, providing advice and supporting accountability across the organisation.

Comparative workforce data

Details of employment levels in June 2026

	All employees		Ongoing			Fixed-term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Male	150	149.06	144	3	146.06	3	3
Female	126	119.87	97	21	112.07	8	7.8
Self-described	0	0	0	0	0	0	0
Age							
15–24	1	1	1	0	1	0	0
25–34	30	30	28	0	28	2	2
35–44	87	84.37	75	9	81.37	3	3
45–54	72	69.65	60	8	65.85	4	3.8
55–64	71	69.41	65	5	68.41	1	1
65+	15	14.5	12	2	13.5	1	1
Executive	6	6	0	0	0	6	6
Senior manager	19	18.5	18	1	18.5	0	0
Field employees	77	77	77	0	77	0	0
Customer service and administration	174	167.43	146	23	162.63	5	4.8
Total employees	**276**	**268.93**	**241**	**24**	**258.13**	**11**	**10.8**

Notes:
Three full-time employees on paid parental leave are included in this data.
Our 3 Commissioners are not included in this data.

Details of employment levels in June 2025

	All employees		Ongoing			Fixed-term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Male	154	152.66	146	4	148.66	4	4
Female	117	109.58	82	22	97.58	13	12
Self-described	0	0	0	0	0	0	0
Age							
15–24	0	0	0	0	0	0	0
25–34	25	25	22	0	22	3	3
35–44	91	87.77	77	9	82.77	5	5
45–54	71	68.91	59	8	65.11	4	3.8
55–64	68	65.86	59	6	63.26	3	2.6
65+	16	14.7	11	3	13.1	2	1.6
Executive	5	5	0	0	0	5	5
Senior manager	21	20.5	20	1	20.5	0	0
Field employees	81	81	81	0	81	0	0
Customer service and administration	164	155.74	127	25	144.74	12	11
Total employees	**271**	**262.24**	**228**	**26**	**246.24**	**17**	**16**

Notes:
One full-time employee on paid parental leave is included in this data.
Our 3 Commissioners and 2 full-time employees on secondment were not included in this data.

Section 4

Other disclosures



Directions

Energy Safe must report on any directions issued under the *Electricity Safety Act 1998* and the *Gas Safety Act 1997* during the financial year in its annual report.

Electricity safety directions

We issued 6 directions under section 141 of the Electricity Safety Act during 2025–26. This consisted of 5 under section 141(2) and one under section 141AC. These powers are vested in Energy Safe's Chairperson and, where appropriate, are exercised by the Chief Executive Officer under delegation.

An occupier

On 24 September 2025, Leanne Hughson, CEO of Energy Safe, issued a direction under section 141(2) of the Electricity Safety Act. The direction was issued to the occupier of a residential property in Shepparton in relation to an unsafe battery energy storage system which was previously installed at and connected to the property. The direction was to ensure the battery energy storage system was not reinstalled or reconnected unless that work was carried out by a registered electrical contractor.

An occupier

On 27 November 2025, Leanne Hughson, CEO of Energy Safe, issued a direction under section 141(2) of the Electricity Safety Act. The direction was issued to the occupier of a residential property in Corio in relation to unsafe electrical equipment, consisting of a BESS, a large battery system, solar panels, inverters and associated wiring. The direction was to ensure the electrical equipment was not connected unless the connection was performed by a registered electrical contractor and Energy Safe was notified.

Sun Spot 3 Pty Ltd

On 9 December 2025, Leanne Hughson, CEO of Energy Safe, issued a direction under section 141(2) of the Electricity Safety Act. The direction was issued to Sun Spot 3 Pty Ltd, owner of Wunghnu Solar Farm in Wunghnu, Northern Victoria. The direction was issued due to a failure to maintain a 10-metre firebreak and maintain vegetation under a 100 mm height at the solar farm, and required Sun Spot to cease generating electricity until these issues were rectified.

BE Pro B Pty Ltd

On 31 December 2025, Leanne Hughson, CEO of Energy Safe, issued a direction under section 141(2) of the Electricity Safety Act. The direction was issued to BE Pro B Pty Ltd (BE Pro), owner of Bostocks Creek Solar Farm, in Cobden, south-west Victoria. The direction was issued due to a failure to maintain a 10-metre firebreak and maintain vegetation under a 100 mm height at the solar farm, and required BE Pro to cease generating electricity until these issues were rectified.

AusNet Transmission Group Pty Ltd

On 12 January 2026, Leanne Hughson, CEO of Energy Safe, issued a direction under section 141(2) of the Electricity Safety Act. The direction was issued to AusNet Transmission Group Pty Ltd (AusNet) and required AusNet, in light of the collapse of 6 high-voltage transmission towers located in Anakie, south-west Victoria in 2024, to undertake a risk assessment which addressed the likelihood and consequence of transmission tower collapse across its entire supply network due to significant weather events, including how any such risk could be minimised as far as practicable.

Vestas Australian Wind Technology Pty Ltd

On 18 May 2026, Monique Conheady, Commission Chair of Energy Safe, issued a direction under section 141AC of the Electricity Safety Act. The direction was issued to Vestas Australian Wind Technology Pty Ltd (Vestas), operator of Lal Lal Wind Farm, near Yendon, south-west Victoria. The direction was issued following a structural blade failure at Lal Lal Wind Farm and required Vestas to preserve, retain and store specified equipment in its location or seek Energy Safe's consent before moving, inspecting or testing the equipment.

Gas safety directions

In 2025–26, we issued no directions under section 107 of the Gas Safety Act.

Prosecutions

We completed 10 prosecutions during 2025–26. Four prosecutions were in relation to contravention of the *Electricity Safety Act 1998* and 6 were in relation to contravention of the *Gas Safety Act 1997*. There was an additional prosecution under the Electricity Safety Act which was withdrawn.

Prosecutions under the Electricity Safety Act

Energy Safe Victoria v AusNet Transmission Group Pty Ltd

On 4 September 2025, AusNet Transmission Group Pty Ltd was fined $70,000 with no conviction by Melbourne Magistrates' Court. The company pleaded guilty on 28 August 2025 to contravention of section 106(2) of the Electricity Safety Act for failing to comply with an accepted Electricity Safety Management Scheme. AusNet Transmission and other major electricity companies are legally required to submit an Electricity Safety Management Scheme to Energy Safe for acceptance every 5 years. These schemes outline how companies will manage and mitigate safety and bushfire risks on their networks. In 2019, Energy Safe accepted an Electricity Safety Management Scheme from AusNet Transmission that committed AusNet to reinforcing 48 transmission towers by 2022 due to concerns that they could collapse in extreme wind events. In November 2023, AusNet Transmission had not completed the works as committed, and Energy Safe issued an Improvement Notice requiring the works to be completed by January 2025. AusNet Transmission has since complied with the Improvement Notice.

Energy Safe Victoria v Home Tanning Australia Pty Ltd

On 1 October 2025, Home Tanning Australia Pty Ltd was fined $2,000 without conviction by Moorabbin Magistrates' Court for contravening section 134 of the Electricity Safety Act, which gives Energy Safe officers the power to require information or documents. Home Tanning Australia is an online retailer that sells solariums and collariums (sun beds). We received a complaint about a product which did not appear to comply with relevant Australian Standards and started an investigation, and issued a requirement for information and documents. Home Tanning Australian did not respond, frustrating our investigation. Home Tanning Australia did not appear in court and was fined in its absence.

Energy Safe Victoria v Greenova Pty Ltd

On 8 January 2026, Greenova Pty Ltd pleaded guilty and was fined $9,000 without conviction by Seymour Magistrates' Court for contravention of sections 37 and 45(1) of the Electricity Safety Act. The offences related to a registered electrical contractor permitting a person to carry out electrical installation work on their behalf which does not comply with the Act or regulations and failing to have prescribed electrical installation work inspected by a licensed electrical inspector before it was connected to the electricity supply. Between December 2023 and July 2024, registered electrical contractor Greenova carried out prescribed electrical installation work by installing battery energy storage systems at properties in Toolamba, Caveat, Marong, Doncaster and Launching Place. The battery energy storage systems were connected to the electricity supply without being inspected by a licensed electrical inspector. Shortly after the Toolamba battery energy storage systems was installed, it caught fire, causing significant damage to the system itself and minor damage to the property. The CFA extinguished the fire and notified Energy Safe. In September 2024, Energy Safe served rectification notices on Greenova to ensure that the sites complied, which was completed by September 2025.

Energy Safe Victoria v Davor Banadinovic

On 6 February 2026, Davor Banadinovic pleaded guilty in Wyndham Magistrates' Court to a charge of providing false information to Energy Safe. He was fined $2,000 without conviction by the court for a contravention of section 148(1) of the Electricity Safety Act. In September 2024, an electrician installed a solar system at a Truganina residence and completed a certificate of compliance. Mr Banadinovic was engaged as a licensed electrical inspector to inspect the solar system and certify whether it was safe and compliant with standards. Mr Banadinovic briefly attended the residence but did not carry out the inspection. Mr Banadinovic later completed the certificate of inspection, falsely certifying that he inspected the installation and that the installation was compliant and lodging it with Energy Safe.

Withdrawn prosecution

A prosecution was commenced against a person for carrying out unlicensed electrical installation work in connection with the installation of a BESS located in a garden shed. The work allegedly caused the shed to catch fire. However, the prosecution was subsequently withdrawn after the defendant raised a potential defence that could not be effectively rebutted because key evidence had been destroyed or damaged in the fire.

Prosecutions under the Gas Safety Act

Energy Safe Victoria v Caliber Civil Pty Ltd

On 7 August 2025, Energy Safe successfully prosecuted Caliber Civil Pty Ltd (in liquidation) in Dandenong Magistrates' Court for contravention of sections 66 and 79D of the Gas Safety Act for interfering with a pipeline and carrying out upstream gas work without approval or authorisation. The charges follow employees puncturing a gas pipeline, causing a gas leak, attempting to repair it with an unapproved clamp and failing to report the gas leak. The gas leak was reported by a member of the public and subsequently repaired by the gas distribution company. The Magistrate imposed an aggregate fine of $15,000 with conviction.

Energy Safe Victoria v Tristan Sutherland

On 30 October 2025, Tristan Sutherland pleaded guilty in Sunshine Magistrates' Court to contravening section 72(1) of the Gas Safety Act in relation to carrying out gas fitting work on a complex gas installation that did not comply with the prescribed standards. The work was performed at a secondary college as part of an upgrade to the science and home economics classrooms. In April 2024, the gas installation was found to have not met the relevant standard and also failed 2 consecutive pressure tests. Mr Sutherland was issued with a $769 infringement, which he did not pay. He was fined $769 without conviction by the court.

Energy Safe Victoria v Connolly Civil Pty Ltd

On 30 October 2025, Connolly Civil Pty Ltd was fined $1,700 without conviction by Sunshine Magistrates' Court for carrying out unauthorised excavation work within 3 metres of a high-pressure gas transmission pipeline, in contravention of section 79C(1)(a) of the Gas Safety Act. On 11 May 2024, a Downer Group pipeline patroller observed Connolly Civil workers on a site in Footscray West preparing to excavate directly above a pipeline. They said they would obtain a Permit to Work but failed to do so. In September 2024, Connolly Civil entered voluntary administration.

Energy Safe Victoria v Kumnicks Plumbing Pty Ltd

On 13 March 2026, Kumnicks Plumbing Pty Ltd pleaded guilty to a charge under section 99(3) of the Gas Safety Act and was fined $1,500 by the Melbourne Magistrates' Court. The contravention was in relation to failing without reasonable excuse to comply with a statutory requirement for information and documents. On 31 January 2025, Energy Safe received notification of a gas leak after nearby excavation works were carried out in Templestowe Lower. A Service Stream crew attended on behalf of the owner and operator of the pipeline and found that a high-pressure gas service pipeline had been damaged and then repaired on site by workers using an unapproved fitting. Energy Safe commenced an investigation and issued a formal request for information. Kumnicks Plumbing did not provide the required information by the due date. The company's failure to comply frustrated Energy Safe's ability to fully investigate the incident.

Energy Safe Victoria v Shriro Australia Pty Ltd

On 27 March 2026, Shriro Australia Pty Ltd was fined $20,000 without conviction by Melbourne Magistrates' Court. The fine was in relation to a contravention of section 99(3) of the Gas Safety Act which required Shriro to provide information relating to reported fires, service complaints and warranty claims concerning a particular model of gas cooktop. Shriro is a manufacturer and distributer of home appliances and electronics in Australia and New Zealand. On 31 October 2023, a fire occurred at a residential property in Noble Park involving a Shriro gas cooktop. Energy Safe required the information and documents, and between November 2023 and May 2024 made multiple attempts to contact the company. Shriro's failure to provide the required information and documents hampered Energy Safe's ability to conduct a timely investigation.

Energy Safe Victoria v Adam Coffey

On 21 May 2026, Adam Coffey pleaded guilty in Broadmeadows Magistrates' Court to a single consolidated charge under section 72(1) of the Gas Safety Act. Mr Coffey was fined $1,000 without conviction by the court. The fine was in relation to carrying out gas fitting work and failing to comply with the relevant prescribed standards. On 8 May 2024, Mr Coffey attended a residential rental property in Meadow Heights to conduct a gas safety check, which requires testing for gas leaks. He was captured on closed-circuit television being at the property for about 10 minutes, during which time he purported to conduct a gas pressure test and service 2 gas appliances

Procurement disclosures

Major contracts

In 2025–26 there were no contracts entered into with a value of more than $10 million.

Local Jobs First – Victorian Industry Participation Policy

The *Local Jobs First Act 2003* brings together the Victorian Industry Participation Policy and Major Project Skills Guarantee, which were previously administered separately. One of Energy Safe's procurement obligations is to incorporate Local Jobs First principles into our procurement activities, where applicable.

We are required to apply the Local Jobs First policy to all statewide and metropolitan Melbourne projects valued at $3 million or more, or $1 million or more for projects in regional Victoria.

During 2024–25, we reported that one procurement activity that triggered the threshold for Local Jobs First initiatives was commenced, to establish a panel arrangement for the engagement of auditors to perform audits of prescribed and non-prescribed electrical installation work in Victoria. The 4 suppliers engaged were:

- Electrical Compliance Victoria Pty Ltd (t/a The Trustee of the ECV Trust) (ABN: 23 367 205 447)
- Electrical Inspection and Assessment Pty Ltd (ABN: 35 858 453 411)
- SEC Inspection Pty Ltd (t/a The Trustee for S.E.C Inspections Family Trust) (ABN: 30 748 189 940)
- TechSafe Australia PTY Ltd (ABN: 37 097 315 341)

These standing offers have a combined value of up to $10.3 million (excluding GST) over an initial term of 3 years, with an option to extend for up to a further 2 years.

The Industry Capability Network (the body administering the Local Jobs First policy) advised in 2024 that as this was a panel arrangement, Local Industry Development Plans would only be required when cumulative expenditure with an individual supplier reached the applicable Local Jobs First threshold. During the later stage of 2025–26, 2 of the 4 panel suppliers reached that threshold. Energy Safe is working with those suppliers and the Industry Capability Network to complete the required Local Industry Development Plan documentation and establish reporting against Local Jobs First commitments. During the tender process, all 4 suppliers confirmed that at least 97% of their workforce was, or would be, Victorian-based if awarded a standing offer.

Competitive neutrality policy

Competitive neutrality requires Victorian Government businesses to ensure that where services compete, or potentially compete, with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest.

Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

We continue to comply with the requirements of the Competition Principles Agreement and the Competition and Infrastructure Reform Agreement and there is no change to our position in this respect.

Social procurement

As part of our responsibility as a Victorian Government agency, we are aligned with the Victorian Government's Social Procurement Framework, focusing on delivering social and sustainable outcomes through our procurement activities.

When responding to tenders, we now request that suppliers indicate their levels of commitment to social procurement, women's equality, diversity, safe and fair workplaces and any other initiatives that may apply to their organisation. By aligning with the government framework, we aim to increase the value of procuring goods and services, with outcomes greater than their monetary value.

We also target social procurement providers for purchasing activities when formal tenders are not required, to create value within the social enterprise supply chain.

In 2025–26, Energy Safe partnered with 9 social benefit suppliers, achieving a social procurement spend of $475,187 (excluding GST), an increase of 22% on the previous year. This year, our procurement activities were strongly aligned with the Social Procurement Framework objectives of supporting:

- sustainable Victorian social enterprises
- Aboriginal businesses
- opportunities for Victorians with disability.

By meeting these objectives, we supported the skills development of many Victorian workers and contributed to social enterprises in delivering broader community benefits.

Moving forward, we will proactively enhance our focus on social procurement by integrating social outcomes into evaluation processes where applicable and seek to broaden our social enterprises supplier base.

Disclosure of emergency procurement

In 2025–26 emergency procurement was not activated, resulting in no spending under emergency procurement protocols.

Disclosure of procurement complaints

In 2025–26 there were no complaints about procurement activities undertaken by Energy Safe.

Government advertising expenditure

In 2025–26, we delivered 3 major advertising campaigns with a total spend of $1 million (excluding GST).

Total advertising expenditure

($ thousand)

Start/ end date	Advertising (media) expenditure	Creative and campaign development	Research expenditure	Post-campaign evaluation expenditure	Print and collateral expenditure	Other campaign expenditure	Total
***Make the safe call* (now called *Be solar safe*)** Encourage owners of rooftop solar to service their systems every 2 years.							
Approved: 14 Sept – 2 Nov 2025	Planned: 200	Planned: 30	Planned: 0	Planned: 30	Planned: 0	Planned: 0	Planned/ approved: 260
Actual: 14 Sept – 2 Nov 2025	Actual: 198	Actual: 63*	Actual: 0	Actual: 16	Actual: 0	Actual: 0	Actual: 277
Before you know it Encourage owners of lithium-ion powered e-transport devices to charge safely.							
Approved: 11 Jan – 16 March 2026	Planned: 300	Planned: 50	Planned: 0	Planned: 30	Planned: 0	Planned: 0	Planned/ approved: 380
Actual: 11 Jan – 16 March 2026	Actual: 301	Actual: 12	Actual: 0	Actual: 26	Actual: 0	Actual: 0	Actual: 339
Electrical DDIY – Don't do it yourself Deter people from attempting to carry out electrical work themselves and hire an A-grade electrician.							
Approved: 5 May – 26 June 2026	Planned: 300	Planned: 200	Planned: 0	Planned: 80	Planned: 0	Planned: 0	Planned/ approved: 580
Actual: 5 May – 26 June 2026	Actual: 300	Actual: 232^	Actual: 0	Actual: 10#	Actual: 0	Actual: 0	Actual: 542

Notes:

* Commitment carried forward from 2024–25 financial year due to delays with government approvals.

^ Additional budget included for concept testing and a baseline study to be carried out.

Represents a 50% payment due to work crossing financial years.

Information communication technology expenditure

For 2025–26, we had a total information communication technology (ICT) expenditure of $11,550,402, with the details shown below.

ICT expenditure refers to our costs in providing business-enabling ICT services. It consists of business-as-usual (BAU) ICT expenditure and non-BAU ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing our current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Total ICT expenditure

($ thousand)

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
	Non-BAU ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = operational expenditure and capital expenditure)		
$8,174	**$3,376**	**$2,126**	**$1,250**

Cost of machinery-of-government changes

There were no direct costs attributable to the machinery-of-government change that have been incurred by the entities that are consolidated into Energy Safe's annual report pursuant to section 53(1)(b) of the *Financial Management Act 1994*.

Reviews and studies expenditure

There were no direct costs attributable to the reviews and studies that have been incurred by the entities that are consolidated into Energy Safe's annual report pursuant to section 53(1)(b) of the Financial Management Act.

Consultancy expenditure

Details of consultancies under $10,000

In 2025–26, we engaged 6 consultancies for services with total fees payable of less than $10,000.

The total expenditure incurred in relation to these consultancies was $11,743 (excluding GST).

Details of consultancies more than $10,000

In 2025–26, we engaged 22 consultants for services with total fees payable of greater than $10,000. The total expenditure incurred during 2025–26 from these consultancies was $1,098,706 (excluding GST). Details of individual consultancies are listed below.

Details of consultancies of more than $10,000

Consultant	Purpose	2025–26 spend (excl. GST)
Ken Cameron & Associates Pty Ltd	Technical consultant to review Construction Safety Management Plan for Heytesbury Underground Gas Storage (new pipeline)	$11,300
Logan Family Trust	Advisory services to support workforce planning and team dynamics inputs	$11,400
Jane Naughton Consulting Services	Executive job evaluation consulting services	$18,175
Envista Forensics Pty Ltd	Advisory service as expert witness	$18,333
ARCH Artifex	Advisory service to support the establishment of Safety Case Risk Assessor panel	$22,000
Australian Energy Market Operator Limited	Advisory services on Gas Emergency Management Consultative Forum – 2026 Exercise	$22,727
IAEngg Pty Ltd	Advisory service to support the Conductor and Asset Management Outcomes Review Project	$29,700
Thales Cyber Services Australia Pty Ltd	Technical consultant of cybersecurity to conduct Essential Eight Maturity Level Two assessment	$29,750
Workforce Advantage Pty Ltd	Advisory services on policy development to align with the updated Enterprise Agreement, and facilitation of Enterprise Agreement Advisory Committee	$29,850
Votar Partners Pty Ltd	Advisory service to develop Asset Register and Assess Security Risk Profile	$35,150
Diversity Partners Pty Ltd	Advisory service on Gender Impact Assessments and development of Gender Equality Action Plan and Gender Equality Progress Report	$38,100
R2A Pty Ltd	Advisory service to support the establishment of Safety Case Risk Assessor panel	$40,000
Pardalote Consulting Pty Ltd	Technical consultant to review the lightning protection system of wind turbine generators at Berrybank Wind Farm	$40,654

Consultant	Purpose	2025–26 spend (excl. GST)
Complete Crisis Solutions Pty Ltd	Advisory service on review and redesign of emergency management team structure and capability	$42,000
Paper Giant Holdings Pty Ltd/ Paper Giant	Advisory service to develop and implement a call behaviour framework	$53,040
Cutler Merz	Advisory service to support the establishment of Safety Case Risk Assessor panel and a functional performance review of the REFCL program	$54,013
Andrea Travers	Advisory service on leadership capability framework and development program	$73,500
Monash University	Developing AI-powered tool to audit electrical equipment sold in online marketplaces	$73,611
CEMA Advisory Pty Ltd	Advisory service to support policy development for regulatory plans	$81,492
Lonergan Research Pty Ltd.	Stakeholder insights research	$98,910
Right Lane Consulting	Advisory service to analyse emerging risks, trends and future issues over the next 5 years, and provide insights to inform the strategy, risk management and regulatory approach.	$130,238
Studio Binocular Pty Ltd	Advisory on visual identity and brand development services	$144,763
Total		**$1,098,706**

Freedom of information

The *Freedom of Information Act 1982* (FOI Act) allows the public a right of access to documents held by Energy Safe. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by Energy Safe. This comprises documents both created by Energy Safe or supplied to Energy Safe by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by Energy Safe is available on Energy Safe's website under its Part II Information Statement.

The FOI Act allows Energy Safe to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include Cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; information provided to Energy Safe in confidence; and information that is confidential under another Act.

Under the FOI Act, the freedom of information (FOI) processing time for requests received is 30 calendar days. However, when external consultation is required under sections 29, 29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by Energy Safe, under section 49A of the FOI Act they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI requests can be lodged online at online.foi.vic.gov.au. An application fee of $33.60 applies. Access charges may also be payable for the search or creation of documents.

When making an FOI request, applicants should ensure requests are in writing, clearly identify what types of material/documents are being sought and be accompanied by the application fee to be a valid request.

If you are unable to make a request online, you can request documents in the possession of the Energy Safe by writing to:

Freedom of Information Officer
Energy Safe Victoria
PO Box 262
Collins Street West VIC 8007

Enquiries can be made to Energy Safe via email at foi@energysafe.vic.gov.au.

Freedom of information statistics and timeliness

During 2025–26, Energy Safe received 42 FOI applications. Of these requests, one was from a Member of Parliament, 21 were from law firms or insurance companies, and the remainder were from the general public.

Energy Safe made 39 FOI decisions during the 12 months ended 30 June 2026.

There were 31 decisions made within the statutory time periods. Of the decisions made outside time, 3 were made within a further 45 days and 5 were made in greater than 45 days. Of the total decisions made, 25 granted access to documents in full, 11 granted access in part and 3 denied access in full. Of requests finalised, the average number of days under the statutory time (including extended timeframes) to decide the request was 28 days.

During 2025–26, one request was received for review by OVIC. The OVIC review was not completed during the 2025–26 period.

No requests were appealed to the Victorian Civil and Administrative Tribunal.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act, and ovic.vic.gov.au.

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* (PID Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body. Energy Safe is a public body for the purposes of the PID Act.

The PID Act establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Energy Safe does not tolerate improper conduct by employees, nor reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Energy Safe will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure.

What is a public interest disclosure?

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public officer or a public body. Improper or corrupt conduct involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption. 'Detrimental action' is action taken against a person in reprisal for making a public interest disclosure.

Energy Safe has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about Energy Safe, its members, officers or employees. These public interest disclosure procedures are available on our website.

How do I make a public interest disclosure?

Energy Safe is not able to receive public interest disclosures.

You can make a public interest disclosure about Energy Safe, its members, officers, employees or contractors by contacting the Independent Broad-based Anti-corruption Commission (IBAC). IBAC's website has a secure disclosure process which also allows you to make anonymous disclosures.

Disclosures can be made to:

IBAC
Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000.
GPO Box 24234, Melbourne Victoria 3001
1300 735 135
ibac.vic.gov.au

Compliance with the *Building Act 1993*

Energy Safe does not own or control any government buildings and consequently is exempt from notifying our compliance with the building and maintenance provisions of the *Building Act 1993*.

Environmental reporting

Energy Safe purchases electricity through the state purchase contract and we do not purchase any additional electricity offsets. Our vehicles are all owned and managed by Vic Fleet through state purchase contracts. We are not required to report in-depth on our environmental impacts as this information is included in whole-of-Victorian Government reporting.

Privacy legislation

We are subject to the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001* and are committed to protecting the privacy of all personal and health information that we handle while performing our functions.

We handle personal information to perform our role as Victoria's independent safety regulator for electricity, gas and pipelines.

Further information on our Privacy Policy is available on our website.

Additional information

Additional information available on request

Energy Safe produces a document containing information as required by the Standing Directions 2018 issued under section 8 of the Financial Management Act. This document contains the following information:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of publications produced by Energy Safe about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- a list of Energy Safe's major committees, the purposes of each committee and the extent to which the purposes have been achieved
- a general statement on industrial relations within Energy Safe, including details of time lost through industrial accidents and disputes
- details of all consultancies and contractors, including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

The information is available on request, subject to the provisions of the FOI Act. Please contact:

The FOI Officer
Energy Safe Victoria
Tel: (03) 9203 9700

Email: foi@energysafe.vic.gov.au

Additional information included in annual report

Details of the following items have been included in this annual report, in the sections indicated below:

- details of Energy Safe's major promotional, public relations and marketing activities – Section 1 Year in review
- details of assessments and measures undertaken to improve the occupational health and safety of employees – Section 2 Governance and organisational structure
- a list of consultants paid more than $10,000 – Section 4 Other disclosures.

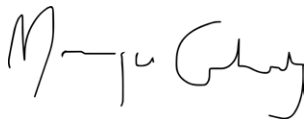
Information not applicable to Energy Safe

The following information is not relevant to us for the reasons set out below:

- a declaration of shares held by senior officers, as no shares have ever been issued in Energy Safe Victoria's name
- details of any major external reviews carried out, as Energy Safe did not conduct any major external reviews in 2025–26
- details of major research and development activities undertaken, as Energy Safe did not conduct or commission any major research and development activities in 2025–26.

Financial management compliance attestation

I, Monique Conheady, on behalf of the responsible body, certify that Energy Safe Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and instructions.

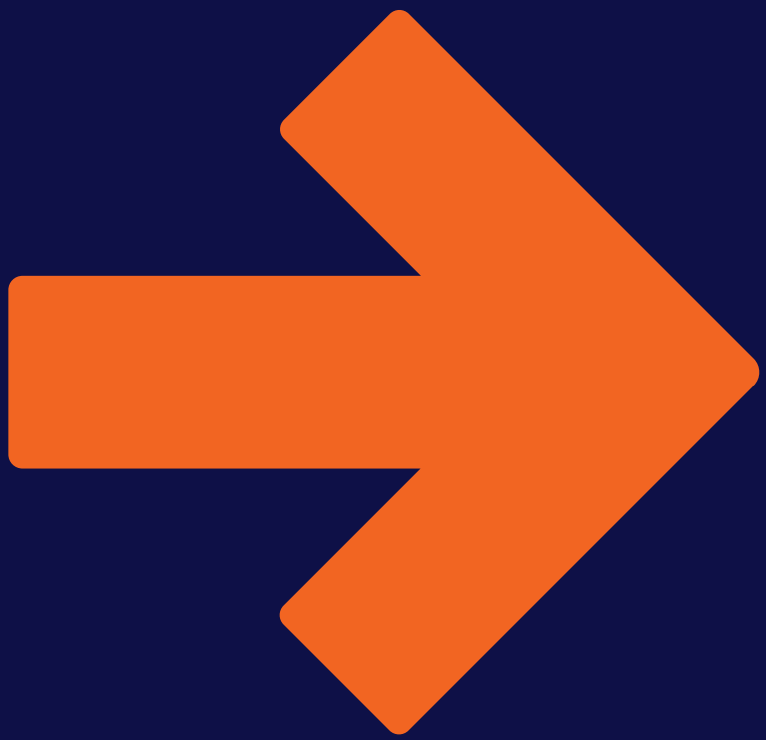


Monique Conheady
Commission Chairperson
Energy Safe Victoria

14 September 2026

Section 5

Financial statements



Declaration in the financial statements

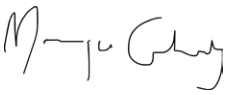
The attached financial statements for the Victorian Energy Safety Commission (referred to as Energy Safe Victoria) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and financial position of Energy Safe Victoria at 30 June 2026.

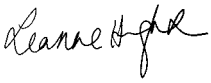
At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 14 September 2026.

Monique Conheady
Commission Chairperson
14 September 2026



Leanne Hughson
Chief Executive Officer
14 September 2026



Matthew Beattie
Chief Financial Officer
14 September 2026



Comprehensive operating statement for the financial year ended 30 June 2026

($ thousand)

	Notes	2026	2025
Continuing operations			
Income from transactions			
Levy income	2.1	52,345	47,237
Fee income	2.2.1	28,352	24,333
Grant income	2.2.2	5,284	6,280
Other income	2.3	38	93
Interest income	2.4	1,517	1,522
Total income from transactions		**87,536**	**79,465**
Expenses from transactions			
Employee expenses	3.1.1	51,192	49,914
Depreciation and amortisation	4.1.2, 4.2.2 and 4.3	3,730	4,391
Other operating expenses	3.2	23,381	21,132
Total expenses from transactions		**78,303**	**75,437**
Net result from transactions		**9,233**	**4,028**
Other economic flows included in net result			
Other (loss)/gain from other economic flows[(i)]		(77)	125
Total other economic flows included in net result		**(77)**	**125**
Comprehensive result		**9,156**	**4,153**

(i) Net loss arising from revaluation of long service liability.

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet as at 30 June 2026

($ thousand)

	Notes	2026	2025
ASSETS			
Financial assets			
Cash and deposits	6.1	29,722	20,725
Receivables	5.1	495	557
Contract assets	5.2	378	613
Total financial assets		**30,595**	**21,895**
Non-financial assets			
Plant and equipment	4.1	1,961	2,005
Right-of-use assets	4.2	2,561	4,154
Intangible assets	4.3	7,472	8,576
Prepayments		2,070	948
Total non-financial assets		**14,064**	**15,683**
Total assets		**44,659**	**37,578**
LIABILITIES			
Employee-related provisions	3.1.2	10,057	9,845
Payables	5.3	2,895	3,744
Contract liabilities	5.4	3,363	3,222
Lease liability	6.2.4	2,803	4,382
Total liabilities		**19,118**	**21,193**
Net assets		**25,541**	**16,385**
EQUITY			
Accumulated surplus		21,755	12,599
Physical asset revaluation surplus		176	176
Contributed capital		3,610	3,610
Net worth		**25,541**	**16,385**

The above balance sheet should be read in conjunction with the notes to the financial statements.

Cash flow statement for the financial year ended 30 June 2026

($ thousand)

	Notes	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from other entities		86,081	78,353
Interest received		1,517	1,522
Total receipts		**87,598**	**79,875**
Payments			
Payments to suppliers and employees		(75,915)	(70,757)
Total payments		**(75,915)**	**(70,757)**
Net cash flows from operating activities		**11,683**	**9,118**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of non-financial assets		(1,270)	(5,185)
Net cash flows used in investing activities		**(1,270)**	**(5,185)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease repayments		(1,416)	(1,374)
Net cash flows used in financing activities		**(1,416)**	**(1,374)**
Net increase in cash and cash equivalents		**8,997**	**2,559**
Cash and cash equivalents at the beginning of the financial year		20,725	18,166
Cash and cash equivalents at the end of the financial year	**6.1**	**29,722**	**20,725**

The above cash flow statement should be read in conjunction with the notes to the financial statements.

Statement of changes in equity for the financial year ended 30 June 2026

($ thousand)

	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	Total
Balance at 1 July 2024	**176**	**8,446**	**3,610**	**12,232**
Net result for the year	-	4,153	-	4,153
Balance at 30 June 2025	**176**	**12,599**	**3,610**	**16,385**
Net result for the year	-	9,156	-	9,156
Balance at 30 June 2026	**176**	**21,755**	**3,610**	**25,541**

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

Notes to the financial statements for the financial year ended 30 June 2026

1 About this report

Energy Safe Victoria (Energy Safe) is given the authority to operate by way of the *Electricity Safety Act 1998*, the *Gas Safety Act 1997*, the *Pipelines Act 2005* and the *Energy Safe Victoria Act 2005*. We are a statutory authority acting on behalf of the Crown.

Our principal address is Level 22, 2 Southbank Boulevard, Southbank, 3006.

A description of the nature of our operations, and our principal activities, is included in the Report of Operations which does not form part of these financial statements.

Basis of preparation

These financial statements are Tier 2 general purpose statements prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) *and Financial Reporting Direction 101 Application of Tiers of Australian Accounting Standards* (FRD 101).

These financial statements are presented in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The accrual basis of accounting has been applied in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes, where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest $1,000 unless otherwise stated.

Energy Safe is a not-for-profit entity for the purposes of preparing these financial statements.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable AAS, including Interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2 Funding delivery of our services

Introduction

Energy Safe is the independent safety regulator responsible for electricity, gas and pipelines in Victoria. The primary source of revenue is levy and fee income. This includes industry levies and fees from the provision of licences and other services. These are levied, or charged, by Energy Safe on a full cost recovery basis. We do not receive any appropriation from the State Government of Victoria.

Levy income is raised in accordance with the Electricity Safety Act, the Gas Safety Act, and the Pipelines Act. Levies are approved by the Minister for Energy and Resources.

Fees are generated from the sale of Certificates of Electrical Safety, the issue of electrical licences, and the provision of similar services.

Significant judgement: grant revenue

Grant revenue is recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*, except when there are enforceable and sufficiently specific performance obligations. In this case, revenue is accounted for as contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*. Income from grants to construct the capital assets that are controlled by us are recognised progressively as the asset is constructed. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done.

Structure

2.1 Levy income
2.2 Revenue from contracts with customers
2.2.1 Fee income
2.2.2 Grant income
2.3 Other income
2.4 Interest income

2.1 Levy income

($ thousand)

Levy income	2026	2025
Gas industry levy	27,739	25,248
Electrical industry levy	22,592	20,125
Gas pipeline industry levy	2,014	1,864
Total levy income	**52,345**	**47,237**

Levies on energy sector participants are used to fund regulatory activities. Levies are set for a 2-year period with the approval of the Minister responsible for Energy Safe. The levies are invoiced to the regulated gas, electricity and pipeline companies once a year.

Levy income is recognised when invoiced as this is when the energy supplier is unconditionally obliged, under legislation, to pay the levy. Levies are non-refundable.

2.2 Revenue from contracts with customers

Revenue from contracts with customers is recognised so as to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which Energy Safe expects to be entitled in exchange for those goods or services.

Revenue is recognised in accordance with the following 5-step process:

1 Identifying the contract with the customer.

2 Identifying the performance obligations in the contract.

3 Determining the transaction price.

4 Allocating the transaction price to the performance obligations in the contract.

5 Recognising revenue as and when the performance obligations are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) Energy Safe satisfies performance obligations by transferring the promised goods or services to its customers.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.4). Where the performance obligations are satisfied but not yet billed, a contract asset is recorded (Note 5.2).

2.2.1 Fee income

($ thousand)

Fee income	2026	2025
Sales of Certificates of Electrical Safety	18,349	15,767
Licence fees	6,323	4,981
Electrolysis mitigation fees	1,983	1,981
Equipment and appliance approval fees	465	494
Appliance efficiency approval fees	1,232	1,110
Total fee income	**28,352**	**24,333**

Sales of Certificates of Electrical Safety

Performance obligations arising from the sale of Certificates of Electrical Safety are satisfied at a point in time when the certificates are registered and made available to the purchaser. Accordingly, revenue from the sale of Certificates of Electrical Safety is recognised at that point.

Licence fees

Performance obligations arising from licensing arrangements are satisfied at a point in time when the licence is issued or renewed. Accordingly, revenue from licence fees is recognised when Energy Safe has completed the relevant licensing process and the applicant obtains the right conferred by the licence.

Fees from electrolysis, mitigation, equipment and appliance approval, and appliance efficiency approval

Electrolysis mitigation fees are annual fees that support Energy Safe's regulatory activities in relation to electrolysis and cathodic protection. Accordingly, revenue is recognised over time as Energy Safe provides the related regulatory service.

2.2.2 Grant income

($ thousand)

Grant income	2026	2025
Revenue recognised under AASB 15		
Grant income from Department of Energy, Environment and Climate Action	1,972	1,678
Grant income from Electrical Equipment Safety Scheme	2,762	4,602
Grant income from Department of Treasury and Finance	550	-
Total grant income	**5,284**	**6,280**

Performance obligations attached to grants received are determined to be satisfied over time in accordance with AASB 15. Therefore, revenue is recognised over time. The output method (involving an assessment of the extent of completion of the activities) is used to estimate the amount of revenue to be recognised on progress of satisfaction of performance obligations.

2.3 Other income

($ thousand)

Other income	2026	2025
Other miscellaneous income	38	93
Total other income	**38**	**93**

Other miscellaneous income may arise from application fees, advertising and so on. Revenue from such services is recognised at a point in time when the service is completed.

2.4 Interest income

Interest income includes interest received on cash and deposits. Refer to 7.1.1 for information on interest income.

3 The cost of delivering services

This section provides an account of the expenses incurred by Energy Safe in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with the provision of services are disclosed.

Structure

3.1 Employee expenses
3.1.1 Employee expenses in the comprehensive operating statement
3.1.2 Employee-related provisions
3.2 Other operating expenses

3.1 Employee expenses

3.1.1 Employee expenses in the comprehensive operating statement

($ thousand)

	2026	2025
Salaries, wages, annual leave and long service leave	45,805	44,673
Defined contribution superannuation expense	4,751	4,463
Defined benefit superannuation expense	430	778
Termination benefits	206	-
Total employee expenses	**51,192**	**49,914**

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The defined benefit plan(s) provides benefits based on years of service and final average salary. The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans. Energy Safe does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, Energy Safe accounts for contributions to these plans as if they were defined contribution plans under AASB 119 *Employee Benefits*. The Department of Treasury and Finance discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. Energy Safe recognises termination benefits when it is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits because of an offer made to encourage voluntary redundancy.

3.1.2 Employee-related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

($ thousand)

	2026	2025
Current provisions		
Annual leave	3,253	3,266
Long service leave	4,209	4,108
Provisions for on-costs	1,266	1,293
Total current provisions for employee benefits	**8,728**	**8,667**
Non-current provisions		
Employee benefits	1,137	997
On-costs	192	181
Total non-current provisions for employee benefits	**1,329**	**1,178**
Total provisions for employee benefits	**10,057**	**9,845**

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as current liabilities, because Energy Safe does not have an unconditional right to defer settlements of these liabilities.

The liability for wages and salaries is recognised in the balance sheet at remuneration rates which are current at the reporting date. As Energy Safe expects the liabilities to be wholly settled within 12 months of the reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as Energy Safe does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Long service leave

Unconditional LSL is disclosed as a current liability; even where Energy Safe does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current LSL liability are measured at:

- undiscounted value – if Energy Safe expects to wholly settle within 12 months, or
- present value – if Energy Safe does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.2 Other operating expenses

($ thousand)

	2026	2025
Information services expenses	7,807	5,116
Contractors	3,831	5,790
Compliance audit expenses	2,609	2,835
Public relations and advertising	1,499	738
Insurance	1,325	1,280
Consulting fees	1,110	938
Legal fees	957	605
Conferences and training	673	599
Rent and outgoings	567	596
Motor vehicles	552	570
Travel expenses	462	432
Telecommunications	296	239
Audit services	206	176
Publication and subscriptions	190	178
Other expenses	1,297	1,040
Total other operating expenses	**23,381**	**21,132**

Other operating expenses generally represent the day-to-day running costs involved in normal operations.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

4 Key assets to support service delivery

Introduction

Energy Safe controls physical and intangible assets that are utilised in fulfilling its objectives and conducting its activities. Physical assets comprise plant and equipment including assets under construction. Intangible assets comprise purchased and configured computer software in use, and computer software currently being configured for use.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information about how these fair values were determined is disclosed in Note 7.3.

Structure

4.1 **Plant and equipment**
4.1.1 Depreciation and amortisation
4.1.2 Reconciliation of movements in carrying amount of plant and equipment
4.2 **Right-of-use assets**
4.2.1 Carrying values of right-of-use assets
4.2.2 Reconciliation of carrying values of right-of-use assets
4.3 **Intangible assets**

4.1 Plant and equipment

($ thousand)

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026	2025	2026	2025	2026	2025
Plant and equipment at fair value						
Furniture and fittings	550	550	(550)	(550)	-	-
Equipment	835	816	(801)	(789)	34	27
Leasehold improvement	2,538	2,538	(611)	(560)	1,927	1,978
Leasehold improvements – Work in progress	-	-	-	-	-	-
Total plant and equipment at fair value	**3,923**	**3,904**	**(1,962)**	**(1,899)**	**1,961**	**2,005**

Items of plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no, or nominal cost, the cost is its fair value at the date of acquisition.

Energy Safe's asset policy sets the minimum asset capitalisation threshold of individual units at greater than $5,000 (GST exclusive). Energy Safe recognises a group of assets as a unit when the following conditions are met:

- multiple units of the same item are purchased in a single transaction
- individual values do not meet the capitalisation threshold of $5,000, but, as a group, the total purchase value exceeds $50,000 (GST exclusive), and
- it is commercially viable to purchase multiple units of the same item under a single transaction.

4.1.1 Depreciation and amortisation

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below.

Asset class	Useful life in years
Furniture and fittings	10 to 15
Equipment	3 to 15
Leasehold improvements	Shorter of lease term or 7 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

4.1.2 Reconciliation of movements in carrying amount of plant and equipment

2026	Plant and equipment at fair value	Total
Opening balance 1 July 2025	**2,005**	**2,005**
Additions	19	19
Disposals	-	-
Depreciation	(63)	(63)
Closing balance 30 June 2026	**1,961**	**1,961**

4.2 Right-of-use assets

Right-of-use assets acquired by lessees – initial measurement

Energy Safe recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received plus
- any initial direct costs incurred and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use assets – subsequent measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability. Energy Safe depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment of right-of-use assets is determined and accounted for in accordance with AASB 136 *Impairment of Assets*.

Refer to Note 6.2 for further information on Energy Safe's lease arrangements and related lease liabilities.

Change in accounting policy – right-of-use assets

Effective for the year ended 30 June 2026, Energy Safe adopted the amended requirements of *Financial Reporting Direction 104 Leases*. The amended Financial Reporting Direction (FRD) requires right-of-use assets arising from market leases to be measured using the cost model rather than the revaluation model.

This change has been accounted for as a change in accounting policy using a modified retrospective approach. Under this approach, the carrying amount of each right-of-use asset at 30 June 2025 became its deemed cost on 1 July 2025. Comparative information has not been restated and continues to be presented on the basis previously applied.

Following transition, right-of-use assets are measured at cost less accumulated depreciation, impairment and any adjustments arising from remeasurement of the lease liability.

Energy Safe assessed its right-of-use assets for impairment at 30 June 2026 and identified no indicators of impairment.

The change in accounting policy did not have a material impact on Energy Safe's financial statements.

Impairment of right-of-use assets

Energy Safe has assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

4.2.1 Carrying values of right-of-use assets

($ thousand)

	2026	2025
Leased buildings	8,056	8,056
Accumulated depreciation	(6,268)	(5,502)
Net carrying amount leased buildings	**1,788**	**2,554**
Leased motor vehicles	5,150	5,431
Accumulated depreciation	(4,377)	(3,831)
Net carrying amount leased motor vehicles	**773**	**1,600**
Net carrying amount	**2,561**	**4,154**

4.2.2 Reconciliation of carrying values of right-of-use assets

($ thousand)

2026	Leased buildings	Leased motor vehicles	Total
Opening balance 1 July 2025	**2,554**	**1,600**	**4,154**
Additions	-	-	-
Disposals	-	(281)	(281)
Depreciation	(766)	(546)	(1,312)
Closing balance 30 June 2026	**1,788**	**773**	**2,561**

4.3 Intangible assets

($ thousand)

	Computer software	Work in progress	Total
Gross carrying amount			
Opening balance	16,493	7,128	23,621
Additions	1,251	-	1,251
Transfer in/(out) of asset under construction	7,128	(7,128)	-
Closing balance	**24,872**	**-**	**24,872**
Accumulated amortisation and impairment			
Opening balance	(15,045)	-	(15,045)
Amortisation	(2,355)	-	(2,355)
Closing balance	**(17,400)**	**-**	**(17,400)**
Net book value at end of financial year	**7,472**	**-**	**7,472**

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated, including:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

Subsequent measurement

Intangible produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over the asset's useful life. Produced intangible assets have useful lives of between 3 and 5 years.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

Significant intangible assets

Energy Safe has capitalised expenditure for the development of business-critical systems, for example, ESVConnect and the Electrical Equipment Safety Scheme (EESS) system. The carrying amount of the capitalised development expenditure is $6.807 million (2025: $1.448 million). Its useful life is 5 years and will be fully amortised in 2030.

5 Other assets and liabilities

Introduction

This section sets out those assets and liabilities, including receivables and payables, that arose from Energy Safe's controlled operations.

Structure

5.1 Receivables
5.2 Contract assets
5.3 Payables
5.4 Contract liabilities

5.1 Receivables

($ thousand)

Receivables	2026	2025
Contractual		
Certificate of Electrical Safety agents	129	200
Other receivables	111	95
Total contractual receivables	**240**	**295**
Statutory		
GST input tax credit recoverable	255	262
Total current receivables	**495**	**557**

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised cost'. Energy Safe holds the contractual receivables with the objective to collect the contractual cash flows and therefore are subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. Energy Safe applies AASB 9 *Financial Instruments* for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Contract assets recognised under AASB 15 are also subject to impairment requirements of AASB 9 however it is immaterial.

5.2 Contract assets

($ thousand)

Contract assets	2026	2025
Contract assets	**378**	**613**
Represented by		
Current contract assets	**378**	**613**
Non-current contract assets	**-**	**-**

Contract assets relate to performance obligations where Energy Safe has a right to consideration in exchange for services transferred to customers but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. This usually occurs when Energy Safe issues an invoice to the customer.

5.3 Payables

($ thousand)

Payables	2026	2025
Contractual		
Supplies and services	2,535	3,471
Amounts payable to government and agencies	44	56
Other payables	311	203
Total contractual payables	**2,890**	**3,730**
Statutory		
GST payable	5	14
Total current payables	**2,895**	**3,744**

Payables consist of:

- Contractual payables: Classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to Energy Safe prior to the end of the financial year that are unpaid.
- Statutory payables: Recognised and measured similarly to contractual payables but are not classified as financial instruments and are not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. The terms and conditions of amounts payable to the government and agencies vary according to the agreements and as they are not part of legislative payables, they are not classified as financial instruments.

5.4 Contract liabilities

($ thousand)

	2026	2025
Contract liabilities	3,363	3,222
Represented by		
Current contract liabilities	**3,363**	**3,222**
Non-current contract liabilities	**-**	**-**

Contract liabilities comprise grant income and safety case annual charges received in advance. Grant income is recognised as the related performance obligations are satisfied. Safety case annual charges are recognised as income over the period to which the charges relate.

6 How we financed our operations

Introduction

This section provides information on the sources of finance utilised by Energy Safe during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Energy Safe.

This section includes disclosures of balances that are financial instruments (such as cash balances), including financial commitments at year end.

Structure

6.1 Cash flow information and balances
6.2 Lease liability
6.2.1 Right-of-use assets
6.2.2 Expenses recognised for leases of low-value assets
6.2.3 Recognition and measurement of leases as a lessee
6.2.4 Lease liability reconciliation
6.2.5 Future lease payments

6.1 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank. Energy Safe's bank accounts are held in the Central Banking Systems (CBS) under the Standing Directions 2018.

($ thousand)

	2026	2025
Total cash and cash equivalents disclosed in the balance sheet	29,722	20,725
Balance as per cash flow statement	**29,722**	**20,725**

6.2 Lease liability

6.2.1 Right-of-use assets

Energy Safe leases properties and motor vehicles.

Energy Safe leased buildings include Level 22/2 Southbank Boulevard, Southbank. The lease at 2 Southbank Boulevard, Southbank expires in October 2028.

All motor vehicle leases are for a 3-year period and are not subject to annual increases.

Right-of-use assets are presented in note 4.2.1.

6.2.2 Expenses recognised for leases of low-value assets

The following amounts are recognised as expenses relating to leases of low-value assets:

($ thousand)

	2026	2025
Expenses relating to leases of low-value assets	300	113
Total amount recognised as expenses	**300**	**113**

6.2.3 Recognition and measurement of leases as a lessee

For any new contracts entered into, Energy Safe considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition Energy Safe assesses whether the contract meets 3 key evaluations:

- whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Energy Safe and for which the supplier does not have substantive substitution rights
- whether Energy Safe has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract, and Energy Safe has the right to direct the use of the identified asset throughout the period of use, and
- whether Energy Safe has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Lease liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable, or Energy Safe's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Presentation of right-of-use assets and lease liabilities

The right-of-use assets and lease liabilities are presented as separate lines in the balance sheet.

6.2.4 Lease liability reconciliation

($ thousand)

	2026	2025
Opening balance	4,382	744
Interest expense	87	114
Principal repayments	(1,416)	(1,374)
Lease additions during the year	-	5,038
Lease disposals during the year	(250)	-
Closing balance	**2,803**	**4,382**
Analysed as:		
Current	1,454	1,621
Non-current	1,349	2,761
Total lease liabilities	**2,803**	**4,382**

6.2.5 Future lease payments

($ thousand)

	2026	2025
Not longer than 1 year	1,509	1,712
Longer than 1 year but not longer than 5 years	1,371	2,838
Longer than 5 years	-	-
Minimum future lease payments	**2,880**	**4,550**
Less future finance charges	(77)	(168)
Present value of minimum lease payments	**2,803**	**4,382**

7 Financial instruments, contingencies and valuation judgements

Introduction

It is often necessary for Energy Safe to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Energy Safe relate mainly to fair value determination.

Structure

7.1 **Financial instruments – specific disclosures**
7.1.1 Financial instruments – net gain/(loss) on financial instruments by category
7.2 **Contingent assets and contingent liabilities**
7.3 **Fair value determination**

7.1 Financial instruments – specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability, or equity instrument of another entity. For Energy Safe, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by Energy Safe to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Energy Safe recognises the following assets in this category:

- cash and deposits, and
- receivables (excluding statutory receivables).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- Energy Safe retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or
- Energy Safe has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the assets but has transferred control of the asset.

Where Energy Safe has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Energy Safe's continuing involvement in the asset.

Categories of financial liabilities

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initially recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. Energy Safe recognises the following liabilities in this category:

- payables (excluding statutory payables), and
- lease liabilities.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

7.1.1 Financial instruments – net gain/(loss) on financial instruments by category

($ thousand)

2026	Carrying amount	Net gain/ (loss)	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
Financial assets at amortised cost					
Cash and deposits	29,722	-	1,517	-	-
Trade and other receivables[(a)]	111	-	-	129	-
Total financial assets at amortised cost	**29,833**	**-**	**1,517**	**129**	**-**
Financial liabilities at amortised cost					
Trade and other payables[(a)]	2,407	-	-	-	-
Total contractual financial liabilities	**2,407**	**-**	**-**	**-**	**-**

Note:

(a) The total amounts disclosed here exclude statutory amounts (for example, amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

($ thousand)

2025	Carrying amount	Net gain/ (loss)	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
Financial assets at amortised cost					
Cash and deposits	20,725	-	1,522	-	-
Trade and other receivables[(a)]	95	-	-	200	-
Total financial assets at amortised cost	**20,820**	**-**	**1,522**	**200**	**-**
Financial liabilities at amortised cost					
Trade and other payables[(a)]	3,730	-	-	-	-
Total contractual financial liabilities	**3,730**	**-**	**-**	**-**	**-**

Note:

(a) The total amounts disclosed here exclude statutory amounts (for example, amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by events not wholly within Energy Safe's control. Energy Safe has no quantifiable or non-quantifiable contingent assets.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by uncertain future events not wholly within Energy Safe's control, or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or
  - the amount of the obligations cannot be reliably measured.

Contingent liabilities are also classified as either quantifiable or non-quantifiable. Energy Safe has no quantifiable or non-quantifiable contingent liabilities.

7.3 Fair value determination

This section sets out information on how Energy Safe determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into 3 levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Energy Safe determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The revaluation for Energy Safe internally developed assets are classified as Level 3 assets under AASB 13, as their valuation is based on significant unobservable inputs and management assumptions. Due to the absence of observable market data, management performs an annual assessment of the assets' fair value.

Fair value determination of non-financial physical assets

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 Fair Value Measurement by adding Appendix F, which provides implementation guidance for not-for-profit public sector entities. Management considered the Appendix F guidance as part of its 30 June 2026 fair value assessment of plant and equipment. Energy Safe performs annual assessments to determine whether carrying values remain materially consistent with fair value.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method. At 30 June 2026, management performed a fair value assessment of plant and equipment and concluded that the carrying amount was not materially different from fair value, and no revaluation adjustment was required.

Description of significant assumptions applied to fair value measurement

2026 and 2025	Valuation technique	Significant unobservable inputs
Plant and equipment	Current replacement cost	Cost per unit
		Useful life of plant and equipment

8 Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, to assist in the understanding of these financial statements.

Structure

8.1 **Responsible persons**
8.2 **Remuneration of executives**
8.3 **Related parties**
8.4 **Remuneration of auditors**
8.5 **Subsequent events**

8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Minister, Members of the Commission and Accountable Officer (Chief Executive Officer) are as follows:

Position held	Name	From (date)	To (date)
Minister for Energy and Resources	The Hon. Lily D'Ambrosio MP	1 July 2025	30 June 2026
Chief Executive Officer	Ms Leanne Hughson	1 July 2025	30 June 2026
Chairperson and Commissioner	Ms Monique Conheady	1 July 2025	30 June 2026
Commissioner	Ms Michelle Groves	1 July 2025	30 June 2026
Commissioner	Ms Sarah McDowell	1 July 2025	30 June 2026

Remuneration

Remuneration received or receivable by members of the Commission and the Accountable Officer (Chief Executive Officer) in connection with the management of Energy Safe during the reporting period. The compensation detailed below excludes the salaries and benefits the Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the state's Annual Financial Report.

	2026	2025
$20,000 – $30,000	1	1
$30,000 – $40,000	1	1
$170,000 – $180,000	-	1
$180,000 – $190,000	1	-
$470,000 – $480,000	-	1
$520,000 – $530,000	1	-
Total number of responsible persons	**4**	**4**
Total remuneration	**778,290**	**719,110**

8.2 Remuneration of executives

The number of executives, other than the Minister and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

($ thousand)

Remuneration of the executives	2026	2025
Total remuneration[(a)]	**1,699**	**1,461**
Total number of executives	**6**	**4**
Total annualised employee equivalents[(b)]	**4**	**4**

Notes:

(a) The total number of executives includes persons who meet the definition of key management personnel of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.3).

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.3 Related parties

Energy Safe is a wholly-owned and controlled entity of the State of Victoria. Related parties of the entity include:

- all key management personnel, their close family members and personal business interests
- all Cabinet Ministers and their close family members, and
- all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

During the financial year ended 30 June 2026, Energy Safe had the following significant government-related entity transactions:

- on-passed $43,580 of infringement notice fees to the Consolidated Fund, through DEECA (2025: $56,170)
- paid $1,325,341 in annual insurance premiums to the Victorian Managed Insurance Authority (2025: $1,280,472)
- received grant of $4,513,520 from DEECA, which was recognised $1,971,967 in 2026 financial year.

Key management personnel of Energy Safe include the Portfolio Minister, Energy Safe Chairperson and Commissioners, Chief Executive Officer, and the Executive Leadership Team:

Position held	Name	From (date)	To (date)
Portfolio Minister	The Hon. Lily D'Ambrosio MP	1/07/2025	30/06/2026
Commissioner and Chairperson	Ms Monique Conheady	1/07/2025	30/06/2026
Commissioner	Ms Michelle Groves	1/07/2025	30/06/2026
Commissioner	Ms Sarah McDowell	1/07/2025	30/06/2026
Chief Executive Officer	Ms Leanne Hughson	1/07/2025	30/06/2026
General Manager, Finance, Strategy and Risk	Mr Steve Cronin	1/07/2025	30/06/2026
General Manager, Customer & People Experience	Dr Roanne Allan	1/07/2025	18/07/2025
General Manager, People and Culture	Ms Kristy Atlana	17/11/2025	30/06/2026
General Manager, Public Affairs	Ms Mikala Hehir	12/01/2026	30/06/2026
General Manager, Regulatory Operations	Mr Ian Burgwin	1/07/2025	30/06/2026
General Counsel and General Manager, Legal, Governance & Regulatory Policy	Ms Michelle McCorkell	1/07/2025	30/06/2026

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the portfolio minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the state's annual financial report.

Compensation of key management personnel	2026	2025
Total [(a) (b)]	**2,477**	**2,181**

Notes:

(a) Definition of Energy Safe key management personnel includes executive managers who hold critical positions and whose roles and decisions are integral to Energy Safe's strategic direction.

(b) Note that key management personnel are also reported in the disclosure of remuneration of the responsible persons (note 8.1) and executive officers (note 8.2).

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, for example stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Outside of normal citizen type transactions with Energy Safe, there were no related-party transactions that involved key management personnel, their close family members and their personal business interests.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.4 Remuneration of auditors

($ thousand)

	2026	2025
Victorian Auditor-General's Office		
Audit of the financial statements	41	39

8.5 Subsequent events

No significant events have occurred since 30 June 2026 that would have a material impact on the information disclosed in these financial statements.

Independent Auditor's Report

Victorian Auditor-General's Office

To the Commission of Energy Safe Victoria

Opinion	I have audited the financial report of Energy Safe Victoria (the entity) which comprises the: • balance sheet as at 30 June 2026 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cashflow statement for the year then ended • notes to the financial statements, including material accounting policy information • declaration in the financial statements. In my opinion, the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards - Simplified Disclosures.
Basis for opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's responsibilities for the audit of the financial report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Commission's responsibilities for the financial report	The Commission is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the *Financial Management Act 1994,* and for such internal control as the Commission determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Commission is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE
14 September 2026

Timothy Maxfield
as delegate for the Auditor-General of Victoria

Disclosure index

This annual report was prepared in accordance with all relevant Victorian legislation and pronouncements. The disclosure index helps identify our compliance with statutory disclosure requirements.

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Abbreviations

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ACCC	Australian Competition and Consumer Commission
BAU	business as usual
BESS	battery energy storage system
BPC	Building and Plumbing Commission
BYDA	Before You Dig Australia
CEO	chief executive officer
CFA	Country Fire Authority
COES	Certificate of Electrical Safety
DEECA	Department of Energy, Environment and Climate Action
EESS	Electrical Equipment Safety System
FOI	freedom of information
FRD	Financial Reporting Direction
FRV	Fire Rescue Victoria
FTE	full-time equivalent
GEAP	Gender Equality Action Plan
GST	goods and services tax
GTRC	Gas Technical Regulators Committee
IBAC	Independent Broad-based Anti-corruption Commission
ICT	information communication technology
IDAHOBIT	International Day Against LGBTQIA+ Discrimination
IEC	International Electrotechnical Commission
ISO	International Organization for Standardization
LGBTQIA+	lesbian, gay, bisexual, transexual, queer, intersex, asexual and more
LPG	liquefied petroleum gas
LSL	long service leave
NAIDOC	National Aboriginal and Islanders Day Observance Committee
OHS	occupational health and safety
OVIC	Office of the Victorian Information Commissioner
REFCL	rapid earth fault current limiter
RTO	registered training organisation
TAFE	Technical and Further Education
VESMS	Voluntary Electrical Safety Management Scheme

Energy safe.
Always.

energysafe.vic.gov.au

Energy Safe Victoria
ABN 27 462 247 657

Head Office
Level 22, 2 Southbank Boulevard
Southbank Vic 3006

Postal address
PO Box 262 Collins Street West
VIC 8007

Telephone: 03 9203 9700
Email: info@energysafe.vic.gov.au