

Energy Safe Victoria **Proposed Electricity Safety (Equipment Safety Scheme) Regulations** October 2018

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Electrical Safety Regulations

Proposed Electricity Safety (Equipment Safety Scheme) Regulations

Lighting Council Australia (LCA) welcomes the opportunity to provide feedback on the proposed Regulations to align Victoria's electrical safety regulations with the ERAC EESS.

LCA's feedback is based on consultation with the lighting luminaire and lamp supply industry through our member network. LCA Members supply around 80% of all lighting equipment in Australia in the residential, commercial, industrial and public lighting markets.

National Alignment

The role of a supplier of electrical products has dramatically changed over the past two decades with the penetration of the internet and advancement of logistics technologies, creating an environment where even small businesses supply to a national market. Variations in electrical safety regulations in different state jurisdictions act as barriers to business supplying compliant products and add costs which are ultimately born by consumers. National harmonisation of electrical safety laws will create better outcomes for suppliers, manufacturers, consumers, regulators and other participants in the supply of electrical equipment.

Specific Comments

Scope

The application of Electrical Safety Regulations is bound by the definition of what constitutes in-scope articles. The proposed definition listed in Part 2, Section 6 shows close alignment with ERAC EESS rules:

- Both the proposed Regulations and ERAC EESS rules cover new electrical equipment with rated voltages of between 50 V to 1000 V AC RMS or 120V to 1500V ripple-free DC.
- ERAC EESS only includes equipment that is designed, or marketed as suitable for household, personal or similar use, however the proposed Regulations do not make this additional clarification.

Suppliers that demonstrate electrical equipment is exclusively for use in commercial or industrial purposes should be exempt from compliance with the proposed regulations as consumers of these electrical goods are generally more informed, often have contractual arrangements for performance

and safety, and may require more bespoke products which cannot be tested in a cost-efficient manner given product volume.

Additional clauses in *Part 2* of the Regulations should be added to ensure that commercial and industrial products are not required to comply with domestic safety standards.

Risk Levels

The alignment of risk levels of electrical equipment will increase compliance by minimising confusion caused by different requirements for different jurisdictions. Prescribing AS/NZS 4417.2 as the standard that determines which types of electrical equipment are classified as medium risk (level 2) or high risk (level 3) will minimise the burden of compliance activity on suppliers by aligning pre-market requirements. Misalignment can also cause confusion amongst suppliers and purchasers of electrical equipment when businesses are operating across jurisdictions. Regulators would also be able to realise efficiencies in compliance actions and check testing through harmonised electrical safety requirements.

Marking

Common use of the Regulatory Compliance Mark (RCM) for electrical safety and other regulatory purposes (i.e. by ACMA for EMC regulation) further reduces compliance burden for suppliers and will lead to increased consumer awareness. Consumers will be able to use the mark to assist in the identification of compliant and non-compliant goods.

Controlled Items

LCA is concerned that the Act and proposed Regulations leave in place the discretionary provision to allow Victoria to independently declare any item controlled electrical equipment and require it to be certified and marked with the certificate number. While Victoria is a sovereign jurisdiction and the Minister may want to have such power to act independently, the EESS is aimed to harmonise and align all state electrical safety regulations. This discretionary power should only be used in extenuating circumstances and after consulting other stakeholders such as other regulators and product suppliers. We suggest that the marking of controlled electrical equipment should align with the marking requirements for 'in-scope' equipment (i.e. the RCM be allowed to be marked instead of the certificate number) to maintain alignment with other regulatory marking requirements.

Applicable Standard

LCA has encountered confusion in the market on the applicability of AS/NZS 3820. The preface to the Standard highlights that the intention of AS/NZS 3820 is that it ought not to be used in isolation where a relevant product standard exists. Certificates of Suitability should not be issued to this standard.

The QLD EESS legislation and ERAC EESS Scheme Rules specifies that the safety standard for level 1 equipment should be:

- The Australian standard for that product together with AS/NZS 3820 if the Australian standard exists;
- The international standard for that product together with AS/NZS 3820 if an Australian Standard does not exist and an international standard exists; or
- AS/NZS 3820 if neither the Australian or international standard exists for a product.

This is different to the proposed Victorian Regulation (Part 3 Section 12) that simply specifies AS/NZS 3820 shall apply alone. Clear alignment of this requirement would minimise confusion in the market and increase the safety and compliance of electrical products as AS/NZS 3820 provides an absolute minimum for electrical safety and cannot possibly test for common failure mechanisms in all electrical products.

Fees

LCA agrees that the set fees charged are aligned with other jurisdictions for:

- Varying the information contained on certificates issued by ESV; and
- Renewing a certificate issued by ESV.

However, LCA considers the proposed fee for issuing of certificates of conformity and suitability to be much higher than other jurisdictions. Justification of the fee amount should be provided to stakeholders – simply stating that the fees are reflective of the previous Regulations is not justification.

Transitory Arrangements

As risk levels for electrical products have opportunities to change due to different influencing factors, the movement of some lighting products over the past two years has highlighted how transitory arrangements are derived from the relevant electrical safety act and regulations.

Alignment with ERAC EESS on the definition of "sell" and "responsible supplier" will allow for manufacturers and suppliers to achieve compliance when faced with escalating risk levels for products. Historically, slow sell-through within a supply chain could create non-compliance as previous Victorian Regulations did not limit the definition of a "sale" to be only when a responsible supplier is selling or offering for sale in a similar way to the ERAC EESS rules.

In conjunction with alignment to ERAC EESS rules, sufficient lead time on regulatory changes, widespread communication to responsible suppliers and other market participants, and thoughtful grandfathering provisions will increase compliance when electrical products change risk level through amendments to AS/NZS 4417.2.

Conclusion

Nationally consistent electrical safety regulations will reduce the administrative burden of maintaining conformity for suppliers, and will raise compliance levels across the industry. Manufacturers and importers will be able to reduce administrative costs associated with maintaining compliance with different jurisdictions, and overall confusion in the market will be reduced because of the variations in different state regulations. Ultimately, consumers will benefit through price reductions of goods as the cost of compliance is lowered. Additionally, increased usage and recognition of the RCM will lead to better outcomes for consumers.

LCA would like to take the opportunity to highlight that electrical safety regulations must be accompanied by a strong compliance and audit program. Many reputable suppliers go to painstaking lengths to ensure products comply with all relevant regulations, however strong action by authorities will ensure that unscrupulous suppliers that purposefully try to circumvent compliance are kept from eroding the reputation of the industry.