

Electricity Legislation Amendment (TransGrid) Bill 2000

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

Part 2A of the *Energy Services Corporations Act 1995* sets out the functions of TransGrid (and any other future energy transmission operators). The principal functions of TransGrid as set out in section 6C of that Act relate to the establishment, maintenance and operation of facilities for the transmission of electricity and other forms of energy and the provision of services for the transmission of those forms of energy (the **principal functions**). Section 6C also sets out certain ancillary functions, including the utilisation and development of TransGrid's facilities for provision of electricity in connection with the provision of telecommunications services (the **telecommunications function**). TransGrid is accordingly installing telecommunications facilities as part of its electricity network. The transmission facilities are used for, among other purposes, ensuring a safe and reliable supply of electricity (for example, for fault reporting) and transmitting electricity market information essential to the operation of the National Electricity Market.

The object of this Bill is to put beyond doubt both the past and future arrangements supporting TransGrid's exercise of the telecommunications function by amending the *Energy Services Corporations Act 1995*:

- (a) to ensure that any power or right conferred on TransGrid by certain statutory or other easements and vested in it for its principal functions extends to its telecommunications function, and
- (b) to make it clear that the powers conferred on TransGrid under Divisions 2 and 3 of Part 5 of the *Electricity Supply Act 1995* (for example, the powers to erect electricity works and to enter land) relating to the exercise of its principal function may also be exercised for the purposes of the telecommunications function, and
- (c) to specify some of the actions that TransGrid may take in exercising the telecommunications function, and
- (d) to validate past actions of TransGrid that could validly have been taken if the proposed amendments had been in force when they were taken.

The Bill also amends section 44 of the *Electricity Supply Act 1995* to ensure that TransGrid cannot acquire land compulsorily solely for the purposes of exercising its telecommunications function and makes amendments to both that Act and the *Energy Services Corporations Act 1995* to provide for the making of savings and transitional regulations.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 is a formal provision giving effect to the amendments to the *Energy Services Corporations Act 1995* set out in Schedule 1.

Clause 4 is a formal provision giving effect to the amendments to the *Electricity Supply Act 1995* set out in Schedule 2.

Schedule 1 Amendment of Energy Services Corporations Act 1995

Schedule 1 [2] and **[5]** (proposed section 6C (2C) and (5)) contain the amendments described in paragraph (a) of the Overview to this Bill.

Schedule 1 [2] (proposed section 6C (2D)) contains the amendment described in paragraph (b) of the Overview to this Bill.

Schedule 1 [2] (proposed section 6C (2B)) contains the amendment described in paragraph (c)

of the Overview to this Bill.

Schedule 1 [7] (proposed Part 3 of Schedule 5) contains the amendment described in paragraph (d) of the Overview to this Bill.

Schedule 1 [1], [3] and [4] contain consequential amendments.

Schedule 1 [6] provides for the making of savings and transitional regulations.

Schedule 2 Amendment of Electricity Supply Act 1995

Schedule 2 [1] contains the amendment to section 44 of the *Electricity Supply Act 1995* described in the Overview to this Bill.

Schedule 2 [2] provides for the making of savings and transitional regulations.