



New South Wales

# Energy Legislation Amendment Bill 2023

## Explanatory note

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

## Overview of Bill

The objects of this Bill are as follows—

- (a) to amend the *Electricity Infrastructure Investment Act 2020* (the **EII Act**) in relation to the functions of the energy security target monitor and the consumer trustee and other matters,
- (b) to amend the *Energy and Utilities Administration Act 1987* (the **EUA Act**) in relation to the governance of the Energy Corporation and other matters.

## 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.

## Schedule 1      Amendment of Electricity Infrastructure Investment Act 2020 No 44

### Energy security target monitor

**Schedule 1[10]** provides that, if a person or body has not been appointed as the energy security target monitor, the Secretary of the Department of Planning and Environment (the **Secretary**), rather than the Independent Pricing and Regulatory Tribunal, must exercise the functions of the energy security target monitor. The EII Act already provides that the Secretary must exercise the functions of the consumer trustee in the absence of an appointment. **Schedule 1[11]** makes a consequential amendment.

**Schedule 1[12]** enables the Secretary, when exercising the functions of the energy security target monitor or the consumer trustee, to delegate the functions to an employee of the Department of Planning and Environment.

**Schedule 1[13] and [14]** protect the Secretary, and persons acting under the Secretary's direction, from personal liability when the Secretary is exercising the functions of the energy security target monitor or the consumer trustee.

**Schedule 1[1] and [2]** enable the energy security target monitor to disclose certain protected information to the Australian Energy Market Operator Limited (*AEMO*) if the monitor considers it necessary. AEMO must not disclose the information.

**Schedule 1[15]** designates the energy security target monitor as an authorised officer able to issue penalty notices for offences.

### **Consumer trustee**

**Schedule 1[3]** allows regulations to be made about the consumer trustee's functions in relation to the assessment of REZ network infrastructure projects and about the provision of information by the infrastructure planner to the consumer trustee.

**Schedule 1[7]** makes a minor amendment to the timing for reports prepared by the consumer trustee about the infrastructure investment objectives.

**Schedule 1[8]** provides that the Minister for Energy (the *Minister*) may, following a review of the risk management framework by the regulator, direct the consumer trustee to amend the risk management framework in accordance with the review.

### **Other amendments**

**Schedule 1[5] and [6]** make minor amendments to the type of long-duration storage infrastructure to which the electricity infrastructure investment safeguard applies.

**Schedule 1[9]** provides that money authorised by the Minister to cover the administrative costs of the scheme financial vehicle is payable from the electricity infrastructure fund established and maintained by the scheme financial vehicle under the EII Act.

**Schedule 1[4]** corrects a cross-reference.

## **Schedule 2      Amendment of Energy and Utilities Administration Act 1987 No 103**

**Schedule 2[3]** makes changes to the management of the Energy Corporation of New South Wales (the *Corporation*) established under the EUA Act. The Corporation will be managed by a Board that consists of 3–8 members appointed by the Minister, instead of being managed by the Secretary as the EUA Act currently provides. A Chief Executive Officer will be responsible for the day-to-day management of the Corporation. **Schedule 2[13]** inserts provisions about the members and procedure of the Board.

**Schedule 2[5]** requires the Corporation to determine the Corporation's service delivery priorities, having regard to the Minister's expectations for service delivery established by a Statement of Expectations issued to the Corporation by the Minister, if any. The Corporation must also prepare a statement of corporate intent for each financial year and, as far as practicable, exercise its functions in accordance with the statement of corporate intent.

**Schedule 2[1], [2], [4], [6], [8], [10], [11] and [15]** make other minor and consequential amendments.

**Schedule 2[9] and [12]** omit redundant provisions, including provisions that are now dealt with under the *Interpretation Act 1987* and other legislation. **Schedule 2[7]** makes a consequential amendment.

**Schedule 2[14]** inserts a standard provision to enable savings and transitional regulations to be made.