



New South Wales

# Electricity Infrastructure Investment Amendment (Priority Network Projects) Bill 2025

## Explanatory note

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

## Overview of Bill

The object of this Bill is to amend the *Electricity Infrastructure Investment Act 2020* (*the Act*) to—

- (a) broaden the meaning of a priority transmission infrastructure project to include a priority network infrastructure project, and
- (b) broaden and clarify the Minister’s powers relating to directing network operators to carry out REZ network infrastructure projects and priority network infrastructure projects, and
- (c) extend the functions of an infrastructure planner in relation to priority network infrastructure projects, and
- (d) make provision for other miscellaneous 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 on the date of assent to the proposed Act.

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

**Schedule 1[2]** inserts definitions of *carry out* an infrastructure project and *infrastructure project* for Part 5 under proposed section 30A and clarifies references to infrastructure projects for the part under proposed section 30B. **Schedule 1[12] and [13]** make consequential amendments.

**Schedule 1[3]** removes requirements for which matters must be specified in a direction by the Minister to a network operator to carry out an infrastructure project under section 32.

**Schedule 1[4]** clarifies the circumstances in which a direction under section 32 may be made, including if the network operator does not own or lease the infrastructure.

**Schedule 1[6]** amends the matters the Minister must be satisfied of under the Act, section 34 before making a direction under the Act, section 32 in relation to a priority network infrastructure project.

**Schedule 1[7]** inserts proposed sections 35A–35C. Proposed section 35A sets out when a direction under section 32 commences. Proposed section 35B alters the power to amend a direction under section 32. Proposed section 35C sets out the circumstances for when directions under section 32 may be made without complying with section 34(1) and (2). **Schedule 1[16]** makes a consequential amendment.

**Schedule 1[8]** removes the defence of a reasonable excuse from the offence under the Act, section 34 for failure to comply with a direction under section 32.

**Schedule 1[9]** is a drafting update to move definitions for the division to a new section. **Schedule 1[11]** makes a consequential amendment.

**Schedule 1[10]** clarifies the circumstances in which an authorisation for Part 5, Division 3 may be made by the Minister under the Act, section 36(2).

**Schedule 1[14]** clarifies that the reference to components are the components applicable to the relevant authorisation that is the subject of the regulator's determination under section 38 for determining the amount payable to the network operator.

**Schedule 1[15]** deems a notice given to a network operator under the Act, section 38(7) is a condition of a licence under the *Electricity Supply Act 1995* held by the network operator, but provides a person must not be both prosecuted for failure to comply with the notice and the licence conditions.

**Schedule 1[17]** clarifies that an infrastructure planner may be appointed in relation to a priority network infrastructure project.

**Schedule 1[18]** extends the functions of an infrastructure planner to include identifying, assessing and recommending to the Minister network infrastructure projects in certain circumstances.

**Schedule 1[20]** substitutes the definition of *network infrastructure* to include generation or storage infrastructure that provides network services. Schedule 1[20] also substitutes the definition of *priority transmission infrastructure project* by replacing the term with *priority network infrastructure project* and amends the kinds of reports under the *National Electricity Rules* and recommendations by the infrastructure planner for which a network infrastructure project is a priority network infrastructure project. **Schedule 1[1], [5] and [19]** make consequential amendments.



New South Wales

# Electricity Infrastructure Investment Amendment (Priority Network Projects) Bill 2025

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*This PUBLIC BILL, originated in the LEGISLATIVE ASSEMBLY and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.*

*Legislative Assembly*

*Clerk of the Legislative Assembly*



New South Wales

# **Electricity Infrastructure Investment Amendment (Priority Network Projects) Bill 2025**

No. \_\_\_\_\_, 2025

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## **A Bill for**

An Act to amend the *Electricity Infrastructure Investment Act 2020* in relation to network infrastructure projects; and for related purposes.

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*The LEGISLATIVE COUNCIL has this day agreed to this Bill with/without amendment.*

*Legislative Council*

*Clerk of the Parliaments*

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**Tabling copy**

**The Legislature of New South Wales enacts—**

1

**1 Name of Act**

2

This Act is the *Electricity Infrastructure Investment Amendment (Priority Network Projects) Act 2025*.

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4

**2 Commencement**

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This Act commences on the date of assent to this Act.

6

<b>Schedule 1</b>	<b>Amendment of Electricity Infrastructure Investment Act 2020 No 44</b>	1
		2
<b>[1]</b>	<b>Sections 4(7), definition of “relevant project”, 32(1)(b) and (5), 34(1)–(3) and 36(2)</b>	3
	Omit “priority transmission infrastructure project” wherever occurring.	4
	Insert instead “priority network infrastructure project”.	5
<b>[2]</b>	<b>Part 5, Division 1A</b>	6
	Insert before Part 5, Division 1—	7
	<b>Division 1A Preliminary</b>	8
	<b>30A Definitions</b>	9
	In this part—	10
	<i>carry out</i> an infrastructure project includes carrying out one or more of the following activities or organising, arranging for or causing the activity to be carried out—	11
		12
		13
	(a) the planning, design, financing, commissioning, development or construction of the project and other preparatory activities in connection with the infrastructure project,	14
		15
		16
	(b) an activity in connection with the ownership or control of infrastructure under the infrastructure project,	17
		18
	(c) the operation or maintenance of infrastructure under the infrastructure project,	19
		20
	(d) other activities in connection with the infrastructure project as prescribed by the regulations.	21
		22
	<i>infrastructure project</i> means—	23
	(a) a REZ network infrastructure project, or	24
	(b) a priority network infrastructure project.	25
	<b>30B Application of part</b>	26
	In this part, a reference to an infrastructure project includes a part or stage of an infrastructure project.	27
		28
<b>[3]</b>	<b>Section 32 Minister may direct network infrastructure projects be carried out</b>	29
	Omit section 32(2). Insert instead—	30
	(2) A direction must specify the following—	31
	(a) the network operator to whom the direction applies,	32
	(b) the location and description of the infrastructure project,	33
	(c) the date by which the network operator, taking all reasonable steps, must comply with the direction,	34
		35
	(d) other matters prescribed by the regulations.	36
	(2A) A direction may specify the following—	37
	(a) the requirements for the development or construction of the infrastructure project,	38
		39
	(b) the staging or sequencing of the planning, design, financing, construction or commissioning of the infrastructure project,	40
		41

(c)	the requirements for the operation or maintenance of infrastructure relating to the infrastructure project,	1 2
(d)	whether another direction may be made about the infrastructure project in accordance with section 35C,	3 4
(e)	that the network operator must facilitate or permit another network operator carrying out work on infrastructure owned or leased by the network operator in accordance with a direction to the other network operator under subsection (4B),	5 6 7 8
(f)	other matters the Minister considers relevant.	9
<b>[4]</b>	<b>Section 32(4A)–(4C)</b>	10
	Insert after section 32(4)—	11
(4A)	One or more directions to one or more network operators may be given at any time under this section in relation to an infrastructure project.	12 13
(4B)	A direction under this section may direct a network operator to commission, operate or maintain infrastructure not owned or leased by the network operator.	14 15 16
(4C)	A direction under subsection (4B) does not have effect until a direction under subsection (2A)(e) directs the other network operator that owns or leases the infrastructure to facilitate or permit the network operator to commission, operate or maintain the infrastructure.	17 18 19 20
<b>[5]</b>	<b>Section 34, heading</b>	21
	Omit “ <b>transmission</b> ”. Insert instead “ <b>network</b> ”.	22
<b>[6]</b>	<b>Section 34(3)(a)(ii)</b>	23
	Omit the subparagraph. Insert instead—	24
(ii)	a forecast shortfall in reliability or system security services identified in a report prepared under or published in accordance with the <i>National Electricity Rules</i> , Chapter 5, 6 or 6A, and	25 26 27
<b>[7]</b>	<b>Sections 35A–35C</b>	28
	Insert after section 34—	29
<b>35A</b>	<b>Commencement of directions</b>	30
(1)	The obligation of a network operator to comply with a direction under section 32 does not commence until the first of the following occurs—	31 32
(a)	the Minister gives written notice to the network operator that the Minister is satisfied that reasonable interim financial arrangements are in place for the network operator to commence carrying out the direction before a determination is made under section 38,	33 34 35 36
(b)	the regulator makes a determination under section 38 in relation to the direction.	37 38
(2)	Before giving a written notice under subsection (1)(a), the Minister must—	39
(a)	consult with the network operator, and	40
(b)	have regard to the interests of the network operator and NSW electricity customers.	41 42

<b>35B</b>	<b>Amendment of directions</b>	1
(1)	Section 34(1) and (2) does not apply to the amendment of a direction under section 32 if the amendment does not include a material change to the location or description of the infrastructure project as specified in the direction.	2 3 4
(2)	A direction under section 32 in relation to a priority network infrastructure project must not be amended in a way that would materially change the location or description of the infrastructure project as specified in the direction.	5 6 7 8
(3)	Subsection (2) does not affect the power to revoke the direction or make another direction under section 32 in relation to the infrastructure project.	9 10
<b>35C</b>	<b>Staged directions for infrastructure projects</b>	11
(1)	This section applies to an infrastructure project for which—	12
(a)	a direction has been made, and	13
(b)	there has been no material change to the location or description of the infrastructure project as specified in the initial direction for the project.	14 15
(2)	Section 34(1) and (2) does not apply to the making of a further direction about an infrastructure project to which this section applies if—	16 17
(a)	the direction does not make a material change to the location or description of the infrastructure project as specified in the initial direction, and	18 19 20
(b)	the initial direction specified that a further direction about the infrastructure project may be made in accordance with this section.	21 22
(3)	In this section—	23
	<i>direction</i> means a direction made under section 32.	24
	<i>initial direction</i> , in relation to an infrastructure project, means the first direction made in connection with the infrastructure project.	25 26
<b>[8]</b>	<b>Section 35 Failure to comply with direction</b>	27
	Omit “, without reasonable excuse,” from section 35(1).	28
<b>[9]</b>	<b>Section 36A</b>	29
	Insert before section 36—	30
<b>36A</b>	<b>Definitions</b>	31
	In this division—	32
	<i>adjustment</i> , of amounts, includes an adjustment of amounts under a provision included in a determination, whether under section 38(3) or otherwise.	33 34
	<i>authorisation</i> means—	35
(a)	an authorisation by the consumer trustee under section 31 to carry out a REZ network infrastructure project, or	36 37
(b)	an authorisation by the Minister under section 36(2), or	38
(c)	a direction given by the Minister under section 32 to carry out an infrastructure project.	39 40
	<i>network operator</i> includes persons referred to in section 36(1A), but only for the purpose specified in the subsection.	41 42

<b>[10] Section 36 Application of Division</b>	1
Insert after section 36(2)—	2
(2A) One or more authorisations for one or more network operators may be made at any time under subsection (2) for a priority network infrastructure project.	3 4
<b>[11] Section 36(4)</b>	5
Omit the subsection.	6
<b>[12] Section 37 Regulator to take into account principles</b>	7
Omit “and operation” from section 37(1)(c). Insert instead “or operation”.	8
<b>[13] Section 37(2)</b>	9
Omit the subsection.	10
<b>[14] Section 38 Regulator to determine amount payable to or by network operators for network infrastructure projects</b>	11 12
Insert “applicable to the relevant authorisation” after “components” in section 38(2).	13
<b>[15] Section 38(9A) and (9B)</b>	14
Insert after section 38(9)—	15
(9A) If a network operator to whom a notice under subsection (7) applies holds a licence under the <i>Electricity Supply Act 1995</i> , it is a condition of the licence that the licensee complies with the notice.	16 17 18
(9B) A person cannot be both prosecuted for an offence against subsection (9) and dealt with by the Minister for a contravention of a licence condition under the <i>Electricity Supply Act 1995</i> , Schedule 2, clause 8 in relation to the same act or omission.	19 20 21 22
<b>[16] Section 39 Effect of regulator’s determination</b>	23
Omit section 39(3).	24
<b>[17] Section 63 Infrastructure planner</b>	25
Insert after section 63(2)—	26
(2A) An infrastructure planner may be appointed to exercise functions in relation to a priority network infrastructure project.	27 28
<b>[18] Section 63(4A)</b>	29
Insert after section 63(4)—	30
(4A) An infrastructure planner also has the function of identifying, assessing and, if appropriate, recommending to the Minister a network infrastructure project the infrastructure planner considers to be an appropriate response to—	31 32 33
(a) a target breach identified in an energy security target monitor report, or	34
(b) a forecast shortfall in reliability or system security services identified in a report prepared under or published in accordance with the <i>National Electricity Rules</i> , Chapter 5, 6, or 6A.	35 36 37
<b>[19] Schedule 1 Savings, transitional and other provisions</b>	38
Insert at the end of the schedule, with appropriate part and clause numbering—	39

**Part Provision consequent on enactment of Electricity Infrastructure Investment Amendment (Priority Network Projects) Act 2025** 1  
2  
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**References to “priority transmission infrastructure project”** 4

A reference in another Act, an instrument made under another Act or a document to a priority transmission infrastructure project within the meaning of, or in connection with, this Act is taken to be a reference to a priority network infrastructure project. 5  
6  
7  
8

**[20] Dictionary** 9

Omit the definitions of *network infrastructure* and *priority transmission infrastructure project*. Insert in alphabetical order— 10  
11

*adjustment*, for Part 5, Division 3—see section 36A. 12

*authorisation*, for Part 5, Division 3—see section 36A. 13

*carry out*, in relation to an infrastructure project, for Part 5—see section 30A. 14

*infrastructure project*, for Part 5—see section 30A. 15

*network infrastructure*— 16

(a) means transmission infrastructure and distribution infrastructure, and 17

(b) includes generation or storage infrastructure that provides network services. 18  
19

*network operator*, for Part 5, Division 3—see section 36A. 20

*priority network infrastructure project* means a network infrastructure project— 21  
22

(a) located in the State, and 23

(b) identified in or forming part of a network infrastructure project identified in— 24  
25

(i) a report prepared under or published in accordance with the *National Electricity Rules*, Chapter 5, 6, or 6A, or 26  
27

(ii) an assessment and recommendation by an infrastructure planner under section 63(4A). 28  
29