



New South Wales

# Energy Legislation Amendment Bill 2025

## 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**) to—
  - (i) provide for the community purposes and employment purposes for which access scheme fees may be used, and
  - (ii) enable the planning, provision and management of system security services in connection with infrastructure that is not owned by the system strength service provider, and
  - (iii) broaden the infrastructure in relation to which long-term energy service agreements (**LTES agreements**) may be entered into for the purposes of the electricity infrastructure investment safeguard, and
  - (iv) enable the Minister to terminate the appointment of the consumer trustee if the Minister is reasonably satisfied the consumer trustee is unable to act independently, and
  - (v) amend and clarify the functions of the infrastructure planner and the consumer trustee in the recommendation and authorisation of network infrastructure projects, and
  - (vi) to facilitate payments to the infrastructure planner out of the electricity infrastructure fund for costs incurred by the infrastructure planner in the exercise of the infrastructure planner's functions, and
  - (vii) make other administrative, minor and consequential amendments,

- (b) to amend the *Electricity Supply Act 1995* (the **ES Act**) to—
- (i) facilitate and support the efficient and timely investment in electricity infrastructure under the EII Act, and
  - (ii) enhance the regulation of network-to-network connections, including through increased penalties and new licence conditions, and
  - (iii) enable the Independent Pricing and Regulatory Tribunal (the **Tribunal**) to pursue certain proceedings, including for civil penalties, under the *National Electricity (NSW) Law* (the **NEL (NSW)**), and
  - (iv) create offences for a retailer or an exempt seller to—
    - (A) charge small customers, or credit small customers at a rate less than \$0 per kilowatt hour, for solar-generated electricity supplied by the customer to the retailer or exempt seller, or
    - (B) charge other customers more for solar-generated electricity supplied by the customer to the supplier or exempt seller than the amount credited to the customer for the electricity during a billing period, and
  - (v) provide for the Tribunal to make price determinations for energy, hot water and air-conditioning services provided to customers through embedded networks and require operators of embedded networks or persons who sell energy, hot water or air-conditioning services delivered through an embedded network to comply with approved energy ombudsman schemes, and
  - (vi) provide increased flexibility for the strategic benefit payment guidelines, including by providing for the eligibility of an expanded category of impacted land owners and other holders of interests in land to receive strategic benefit payments, and
  - (vii) provide for the renewable fuel scheme (**RFS**) to commence 1 January 2027, and
  - (viii) improve the administration of licence applications and licences, and
  - (ix) make other administrative, minor and consequential amendments,
- (c) to amend the *National Electricity (New South Wales) Act 1997* to—
- (i) provide a regulation-making power to modify the *National Electricity Rules* to allow network service providers to recover costs associated with making payments to landholders for hosting certain types of energy infrastructure, and
  - (ii) make other administrative, minor and consequential matters,
- (d) to make related and consequential amendments to the *Electricity Supply (General) Regulation 2014*, the *Independent Pricing and Regulatory Tribunal Act 1992* and the *Residential (Land Lease) Communities Act 2013*.

## 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

**Schedule 1[1]** requires the infrastructure planner to consider the guidelines about consultation and negotiation with the local Aboriginal community when exercising functions under Part 5 and certain functions prescribed by the regulations. The infrastructure planner is required to make the appointment of a network operator subject to any conditions necessary to give effect to the guidelines and, if recommending the Minister direct a network operator to carry out a REZ network project, must recommend the direction be given subject to any conditions necessary to give effect to the guidelines.

**Schedule 1[2]** requires the Minister, the consumer trustee and the infrastructure planner to consider the plan for the NSW renewable energy sector when exercising certain functions under the EII Act. The infrastructure planner is required to make the appointment of a network operator subject to any conditions necessary to give effect to the plan and, if recommending the Minister direct a network operator to carry out a REZ network project, must recommend the direction be given subject to any conditions necessary to give effect to the plan.

**Schedule 1[3]** replaces the existing definitions of *community purpose* and *employment purpose* in section 26, which prescribe the purposes for which access scheme fees may be used, to enable the fees to be used for—

- (a) a purpose that benefits the local community of a local government area or Local Aboriginal Land Council area that is or has been wholly or partly within the geographic area that forms the renewable energy zone to which the access scheme applies at any time after the declaration of the scheme, rather than only a purpose that benefits the local community in that geographic area at the time the fees are to be applied, and
- (b) a purpose that promotes employment, skills and training for persons who live or work in a local government area or Local Aboriginal Land Council area that is or has been wholly or partly within the geographic area that forms the renewable energy zone to which the access scheme applies at any time after the declaration of the scheme, rather than only current employees who are affected by changes in electricity generation in the State and are in that geographic area at the time the fees are to be applied.

**Schedule 1[4]** inserts definitions for use in Part 5.

**Schedule 1[5]** amends the heading of Part 5, Division 1.

**Schedule 1[6]** amends section 30 to require the infrastructure planner for a renewable energy zone to assess REZ network infrastructure projects required for the renewable energy zone and, based on those assessments, recommend REZ network infrastructure projects to the consumer trustee for authorisation.

**Schedule 1[7]** removes the requirement for the infrastructure planner to make recommendations to the consumer trustee about the matters set out in section 30(2) in relation to REZ network infrastructure projects.

**Schedule 1[8]** provides for the infrastructure planner to recommend the authorisation of REZ network infrastructure projects and requires the infrastructure planner to include recommendations about certain matters related to the projects. The infrastructure planner may recommend amendments to the terms of an authorisation and may also ask the consumer trustee to amend the maximum capital costs amount for authorised REZ network infrastructure projects.

**Schedule 1[9]** inserts proposed section 30AA, which requires the consumer trustee to authorise or refuse to authorise projects and amendments as recommended by the infrastructure planner. The proposed section sets out matters the consumer trustee must consider when deciding whether to authorise projects. The amendment includes regulation-making powers to make further provision about the consumer trustee's and the infrastructure planner's functions under the proposed section.

**Schedule 1[10]** replaces section 31 to require the consumer trustee to set a maximum capital costs amount for the development and construction of an authorised REZ network infrastructure project. The amendment sets out requirements the consumer trustee must follow in relation to amending the maximum capital costs amount. The amendment sets out requirements and obligations on the Minister and other particular persons in relation to the disclosure of the maximum capital costs amount. The amendment inserts a regulation-making power to make further provision about the consumer trustee's functions and the infrastructure planner sharing information with the consumer trustee.

**Schedule 1[11]** inserts proposed Part 5, Division 1AA. The proposed division—

- (a) enables the infrastructure planner to appoint a network operator to carry out a REZ network infrastructure project, and
- (b) inserts regulation-making powers to make further provisions about the exercise of the infrastructure planner's functions under the proposed division, and
- (c) allows the infrastructure planner to recommend to the Minister that the Minister direct a network operator to carry out an authorised REZ network infrastructure project.

**Schedule 1[17]** is a consequential amendment.

**Schedule 1[12]** inserts a regulation-making power to make further provision about the exercise of the Minister's functions in directing network operators to carry out authorised REZ network infrastructure projects.

**Schedule 1[13]** enables the Minister to direct a network operator to carry out an authorised REZ network infrastructure project only on the recommendation of the infrastructure planner and after consulting the Minister for Planning and Public Spaces. The amendment inserts a regulation-making power to make provision about the exercise of the Minister's functions including matters for the Minister to consider, and the eligibility criteria and selection process for network operators.

**Schedule 1[14]** increases the maximum penalty for failure to comply with a direction given to a network operator under section 32.

**Schedule 1[15]** expands the scope of the double jeopardy provision in section 35 to include contraventions of licence conditions dealt with under the ES Act, Schedule 2, clause 8 or 8A and requires consideration of whether the contravention will also be subject to action under the NEL (NSW).

**Schedule 1[16]** provides that the directors and managers of a corporation that contravenes section 35(1) are to be treated as having contravened that section if they knowingly authorised or permitted the contravention.

**Schedule 1[18]** provides that, before determining the amount payable to a network operator carrying out a network infrastructure project, the regulator must calculate the prudent, efficient and reasonable capital costs of the network operator for development and construction of the project, rather than capital costs for overall development and construction of the project.

**Schedule 1[19]** provides that, for a network operator appointed to carry out a REZ network infrastructure project, the amount of the costs calculated by the regulator must not exceed the difference between—

- (a) the maximum capital costs amount for the project, and
- (b) certain amounts paid, or to be paid, to a network operator or the infrastructure planner for the project.

**Schedule 1[20]** enables the regulations to modify the application of, or disapply, a provision of the NEL (NSW) or the *National Electricity Rules*, to the extent reasonably necessary to enable the planning, provision and management of system security services in connection with infrastructure that is not owned by the system strength service provider. **Schedule 1[26], [28] and [29]** make consequential amendments.

**Schedule 1[21] and [22]** broaden the infrastructure in relation to which LTES agreements may be entered into for the purposes of the electricity infrastructure investment safeguard. Currently, LTES agreements can only be entered into with operators who construct and operate infrastructure consisting of storage units with a registered capacity, as specified in the NEM registration and exemption list published by AEMO, that can be dispatched for at least 8 hours. The amendments will enable LTES agreements to be entered into with operators that construct and operate infrastructure consisting of storage units with a relevant capacity that can be dispatched for at least 8 hours, being the lower of—

- (a) the registered capacity for the units specified in the NEM registration and exemption list published by AEMO, or
- (b) the maximum capacity for the units specified in the NEM registration and exemption list published by AEMO.

**Schedule 1[23]** enables money to be paid from the electricity infrastructure fund to the infrastructure planner to enable the infrastructure planner to exercise the infrastructure planner's functions under the EII Act.

**Schedule 1[24]** extends the Minister's existing power to terminate the appointment of the consumer trustee for incompetence, misconduct or incapacity to enable the Minister to also terminate the appointment if the Minister is reasonably satisfied the consumer trustee is unable to act independently. The amendment maintains the requirement for the appointor to give a person or body notice of the reasons for any proposed termination and to consider any submissions made by the person or body.

**Schedule 1[25]** enables the Secretary to—

- (a) delegate the Secretary's functions under the EII Act, and
- (b) subdelegate a function delegated to the Secretary by the Minister under the EII Act unless the Minister provides otherwise in the instrument of delegation.

**Schedule 1[27]** inserts—

- (a) a savings and transitional provision to provide that, for the purposes of amended Part 5, if, at the commencement, a network operator has been authorised to carry out a REZ network infrastructure project by the consumer trustee under current section 31(1)(b)—
  - (i) the project is deemed to be an authorised REZ infrastructure project, and
  - (ii) the network operator is taken to have been appointed to carry out the project, and
- (b) a transitional provision consequent on the amendments in Schedule 1[21] and [22] to ensure relevant references to the registered capacity for long-duration storage infrastructure in existing LTES agreements and related project development agreements are taken to be references to the relevant capacity of the infrastructure.

**Schedule 1[30]** inserts definitions into the Dictionary consequential on other amendments in Schedule 1.

## **Schedule 2      Amendment of Electricity Supply Act 1995 No 94**

**Schedule 2[1]** updates the objects of the ES Act to include the object of facilitating and supporting the efficient and timely investment in electricity infrastructure under the EII Act.

**Schedule 2[2]** clarifies the regulation-making powers relating to the making of the scheme rules by the Minister.

**Schedule 2[4]** makes it an offence for a retailer or an exempt seller to do the following in relation to solar-generated electricity supplied by a customer to the retailer or exempt seller—

- (a) for a small customer—charge the customer, or credit the customer at a rate less than \$0 per kilowatt hour, for the electricity,
- (b) for a customer other than a small customer—charge the customer more for the electricity than the amount credited to the customer for the electricity during a billing period for the customer.

**Schedule 2[3]** makes a consequential amendment.

**Schedule 2[9] and [18]** insert proposed section 78 and Schedule 1 to modify the NEL (NSW) as it applies in New South Wales. The modifications deal with the following—

- (a) enabling the Tribunal to apply to the Supreme Court for an order under the NEL (NSW), proposed section 61(1A) declaring that a person has breached the *National Electricity*

*Rules*, clause 5.2.3(f), to the extent that the breach concerns non-compliance with a licence issued under the ES Act,

- (b) ensuring that other provisions of the NEL (NSW) that are necessary to facilitate such applications are taken to refer to the Tribunal and the State of New South Wales where required,
- (c) providing that the Tribunal cannot apply for orders under the NEL (NSW), section 62,
- (d) extending the protection against double jeopardy.

**Schedule 2[33]** provides a reciprocal protection against double jeopardy in the ES Act. **Schedule 2[7] and [8]** make consequential amendments to the regulatory functions of the Tribunal in the ES Act. **Schedule 2[31]** makes a further consequential amendment.

**Schedule 2[10]** provides for the Tribunal to make price determinations for energy, hot water and air-conditioning services provided to customers through embedded networks. **Schedule 2[6], [17] and [48]** make consequential amendments.

**Schedule 2[12]** expands the prohibition on operating a transmission system without a transmission operator's licence to cover transmission systems that are the subject of a network operator's appointment under the EII Act, section 31A(1), a network operator's direction under that Act, section 32(1) or a network operator's authorisation under that Act, section 36(2). **Schedule 2[12]** is also consequential on the amendment made by **Schedule 1[11]**. **Schedule 2[11]** makes a further consequential amendment.

**Schedule 2[13]** requires a person who operates an embedded network or sells energy, hot water or air-conditioning services delivered through an embedded network to be a member of, and comply with, an approved energy ombudsman scheme.

**Schedule 2[14]** repeals the limitation on the scope of the power to make regulations for a scheme established under section 98D. **Schedule 2[35]** makes a consequential amendment.

**Schedule 2[15]** provides that any monetary penalty imposed by the Tribunal on the holder of a licence or a director or person concerned in the management of the holder of a licence may be recovered in any court of competent jurisdiction as a debt due to the Crown.

**Schedule 2[16]** inserts—

- (a) proposed section 192B, which enables regulations to be made about matters relating to network-to-network connections and provides that those regulations may modify the application of, or disapply, a provision of the NEL (NSW) or the *National Electricity Rules*, and
- (b) proposed section 192C, which enables the Minister to issue guidelines (the ***network-to-network connection guidelines***) about matters relating to network-to-network connections and sets out the matters that may be included in the guidelines.

**Schedule 2[19]** reduces the period within which submissions relating to an application for a licence or the transfer of a licence may be lodged from 40 days to 28 days to align with consultation periods in other legislative schemes.

**Schedule 2[20]** removes the requirement to indicate the Minister's decision about an application for a licence or the transfer of a licence in the report on the application. **Schedule 2[21]** requires the Minister to instead publish notices on a publicly accessible website about the granting of, and refusal to grant, applications for licences.

**Schedule 2[22]** enables the Minister to impose a condition on a licence requiring the holder to exercise its functions under any other Act in accordance with specified guidelines or subject to specified restrictions.

**Schedule 2[23]** enables the Minister to impose the following conditions on a licence—

- (a) a condition requiring the holder of the licence to comply with the network-to-network connection guidelines,

(b) a condition requiring the holder of the licence to negotiate in good faith.

**Schedule 2[24]** allows the strategic benefit payment guidelines to provide for the eligibility of an expanded category of impacted land owners and other holders of interests in land to receive strategic benefit payments.

**Schedule 2[25]** provides flexibility in the regulation-making power to prescribe matters for which the strategic benefit payment guidelines may provide. **Schedule 2[26]** makes a consequential amendment.

**Schedule 2[27], [28], [30] and [32]** increase certain maximum monetary penalties for contraventions of the ES Act and regulations and licence conditions imposed under that Act. Schedule 2[27] and [30] also provide for continuing penalties.

**Schedule 2[29]** provides that the Minister must not take action under Schedule 2, clause 8 for a contravention to which that clause applies unless the Minister has considered whether the contravention has been or is likely to be the subject of another penalty or action or any claim for compensation, and is satisfied that it is nevertheless appropriate to take action under the clause.

**Schedule 2[34]** replaces the definitions for *carried forward shortfall* and *compliance period* for the RFS to improve clarity.

**Schedule 2[36]** sets the commencement date for the RFS as 1 January 2027.

**Schedule 2[37]** provides that an election to carry forward a shortfall must be made to, and accepted by, the Scheme Regulator.

**Schedule 2[38]** replaces references to the 2025 compliance period for the RFS with references to the 2028 compliance period.

**Schedule 2[39]** replaces references to the 2024 compliance period for the RFS with references to the 2027 compliance period.

**Schedule 2[40]** clarifies that a carried forward shortfall is for a compliance period.

**Schedule 2[41]** provides that an election to surrender a certificate to remedy a carried forward shortfall must be made to, and accepted by, the Scheme Regulator.

**Schedule 2[43]** relocates an existing regulation-making power to provide for the revocation of the cancellation of certificates in connection with an amendment to a scheme participant's individual liable use or annual statement and for the revival of certificates. **Schedule 2[42]** makes a consequential amendment.

**Schedule 2[44]** inserts a definition to improve the readability of the required information for the Scheme Regulator's annual report on the RFS. **Schedule 2[45]** makes a consequential amendment to the list of required information.

**Schedule 2[46]** inserts a savings provision to declare that no proceedings may be brought in relation to lack of compliance with RFS requirements by scheme participants before 1 January 2027.

**Schedule 2[47]–[49]** insert definitions for certain words and expressions used in the proposed amendments, including inserting the definition of *strategic benefit payment* in the Dictionary so the term applies to the whole Act. **Schedule 2[5]** makes a consequential amendment.

## **Schedule 3      Amendment of Electricity Supply (General) Regulation 2014**

**Schedule 3** amends the *Electricity Supply (General) Regulation 2014* to—

- (a) reduce the RFS target for green hydrogen for the 2027 compliance period from 1,780,000 gigajoules to 180,000 gigajoules, and

- (b) omit references to the 2024, 2025 and 2026 compliance periods, and update references to the 2027 compliance period, consequent on the amendments in Schedule 2[36].

#### **Schedule 4      Amendment of Independent Pricing and Regulatory Tribunal Act 1992 No 39**

**Schedule 4** makes an amendment consequential to Schedule 2[6].

#### **Schedule 5      Amendment of National Electricity (New South Wales) Act 1997 No 20**

**Schedule 5** provides a regulation-making power to modify the *National Electricity Rules*, to the extent they apply in New South Wales, to allow network service providers to recover costs associated with making payments to landholders for hosting certain types of energy infrastructure.

#### **Schedule 6      Amendment of Residential (Land Lease) Communities Act 2013 No 97**

**Schedule 6** makes amendments that are consequential to amendments to be made to the *National Energy Retail Law (NSW)* by regulations under the *National Energy Retail Law (Adoption) Act 2012*.





New South Wales

# Energy Legislation Amendment Bill 2025

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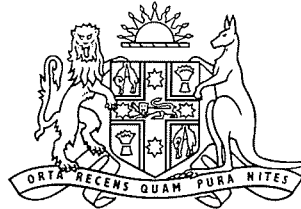
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*This PUBLIC BILL, originated in the LEGISLATIVE COUNCIL and, having this day passed, is now ready for presentation to the LEGISLATIVE ASSEMBLY for its concurrence.*

*Legislative Council*

*Clerk of the Parliaments*



New South Wales

## Energy Legislation Amendment Bill 2025

No , 2025

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### **A Bill for**

An Act to amend the *Electricity Supply Act 1995*, the *Electricity Infrastructure Investment Act 2020* and related energy legislation for particular purposes.

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

*Legislative Assembly*

*Clerk of the Legislative Assembly*

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**Tabling copy**

<b>The Legislature of New South Wales enacts—</b>	1
<b>1 Name of Act</b>	2
This Act is the <i>Energy Legislation Amendment Act 2025</i> .	3
<b>2 Commencement</b>	4
This Act commences as follows—	5
(a) Schedules 1[4]–[19], [23], [27] to the extent it inserts Schedule 1, Part 4, clause 5 and [30] and 2[1], [7]–[9], [11], [12], [15], [16], [18], [22], [23], [27]–[33] and [47]—on 1 December 2025,	6 7 8
(b) Schedules 2[6], [10], [13], [17] and [48], 4 and 6—on 1 July 2026,	9
(c) otherwise—on the date of assent to this Act.	10

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

### [1] Section 4 Consultation and negotiation with local Aboriginal communities

Omit section 4(5). Insert instead—

- (5) The infrastructure planner must take the guidelines into account when exercising the following functions—
  - (a) a function under Part 5,
  - (b) a function prescribed by the regulations for the purposes of this section as a function in relation to which the infrastructure planner must, when exercising, take the guidelines into account.
- (5A) To give effect to the guidelines, the infrastructure planner must—
  - (a) make the appointment of a network operator under section 31A(1) subject to conditions the infrastructure planner considers necessary to give effect to the guidelines, and
  - (b) include, in a recommendation to the Minister under section 31B(1), details of conditions to which the infrastructure planner considers the direction should be made subject to give effect to the guidelines.

### [2] Section 9

Omit the section. Insert instead—

#### 9 Effect of plan

- (1) The Minister must take the plan into account when exercising the Minister's functions under this Act.
- (2) The consumer trustee must take the plan into account when exercising the consumer trustee's functions under Part 6, Divisions 3 and 4.
- (3) The infrastructure planner must take the plan into account when exercising the following functions—
  - (a) a function under Part 5,
  - (b) a function prescribed by the regulations for the purposes of this section as a function in relation to which the consumer trustee must, when exercising, take the plan into account.
- (4) To give effect to the plan, the infrastructure planner must—
  - (a) make the appointment of a network operator under section 31A(1) subject to conditions the infrastructure planner considers necessary to give effect to the plan, and
  - (b) include, in a recommendation to the Minister under section 31B(1), details of conditions to which the infrastructure planner considers the direction should be made subject to give effect to the plan.

### [3] Section 26 Fees for access schemes

Omit section 26(7). Insert instead—

- (7) In this section—

**community purpose** means a purpose that benefits the community in a council area that is or has been, at any time after the declaration of the access scheme, wholly or partly within the geographic area that forms the renewable energy zone to which the access scheme applies.

	<i>council area</i> means—	1
	(a) an area within the meaning of the <i>Local Government Act 1993</i> , or	2
	(b) a Local Aboriginal Land Council area within the meaning of the <i>Aboriginal Land Rights Act 1983</i> .	3
	<i>employment purpose</i> means a purpose that promotes employment, skills and training for persons who live or work in a council area that is or has been, at any time after the declaration of the access scheme, wholly or partly within the geographic area that forms the renewable energy zone to which the access scheme applies.	4 5 6 7 8 9
[4]	<b>Section 30A Definitions</b>	10
	Insert in alphabetical order—	11
	<i>authorised REZ network infrastructure project</i> means a REZ network infrastructure project the consumer trustee has authorised under section 30AA(1)(a).	12 13 14
	<i>infrastructure investment objectives report</i> means a report about the infrastructure investment objectives prepared and published by the consumer trustee under section 45.	15 16 17
	<i>maximum capital costs amount</i> , for an authorised REZ network infrastructure project, means the maximum capital costs amount for the project set by the consumer trustee under section 31(1) and as amended from time to time under section 31(2).	18 19 20 21
[5]	<b>Part 5, Division 1, heading</b>	22
	Insert “and authorisation” after “Assessment”.	23
[6]	<b>Section 30 Infrastructure planner to recommend REZ network infrastructure projects for renewable energy zone</b>	24 25
	Omit section 30(1). Insert instead—	26
	(1) The infrastructure planner for a renewable energy zone must—	27
	(a) assess REZ network infrastructure projects required for the renewable energy zone, and	28 29
	(b) based on those assessments, recommend REZ network infrastructure projects to the consumer trustee for authorisation.	30 31
[7]	<b>Section 30(2)</b>	32
	Omit “and make recommendations about”.	33
[8]	<b>Section 30(2A) and (2B)</b>	34
	Insert after section 30(2)—	35
	(2A) A recommendation by the infrastructure planner under subsection (1)(b)—	36
	(a) may relate to one or more REZ network infrastructure projects that the infrastructure planner recommends be authorised, and	37 38
	(b) must include recommendations about the following—	39
	(i) the staging and sequencing of the REZ network infrastructure project or projects,	40 41
	(ii) the funding and cost recovery for the REZ network infrastructure project or projects,	42 43
	(iii) other matters prescribed by the regulations.	44

	(2B)	If the infrastructure planner considers it appropriate, the infrastructure planner may do either or both of the following—	1 2
	(a)	recommend the consumer trustee amend the terms of the authorisation of a REZ network infrastructure project,	3 4
	(b)	ask the consumer trustee to amend the maximum capital costs amount for an authorised REZ network infrastructure project.	5 6
<b>[9]</b>	<b>Section 30AA</b>		7
		Insert after section 30—	8
<b>30AA</b>		<b>Consumer trustee may authorise REZ network infrastructure projects or amend authorisations</b>	9 10
	(1)	If the infrastructure planner recommends, under section 30(1)(b), a REZ network infrastructure project for authorisation, the consumer trustee must decide to—	11 12 13
	(a)	authorise the project in accordance with the recommendation, or	14
	(b)	refuse to authorise the project.	15
	(2)	If the infrastructure planner recommends, under section 30(2B)(a), an amendment to the terms of an authorisation, the consumer trustee must decide to—	16 17 18
	(a)	authorise the amendment in accordance with the recommendation, or	19
	(b)	refuse to authorise the amendment.	20
	(3)	The consumer trustee—	21
	(a)	must consider the development pathway contained in the most recently published infrastructure investment objectives report (the <i>current development pathway</i> ) when deciding whether to authorise a REZ network infrastructure project under subsection (1), and	22 23 24 25
	(b)	may consider the current development pathway when deciding whether to authorise an amendment under subsection (2).	26 27
	(4)	The regulations may make further provision about the following—	28
	(a)	the exercise of the consumer trustee’s functions under this section,	29
	(b)	requiring the infrastructure planner to give information to the consumer trustee.	30 31
<b>[10]</b>	<b>Section 31</b>		32
		Omit the section. Insert instead—	33
<b>31</b>		<b>Maximum capital costs amount for authorised REZ network infrastructure projects</b>	34 35
	(1)	For each authorised REZ network infrastructure project, the consumer trustee must, by written notice to the regulator, set a maximum amount for the prudent, efficient and reasonable capital costs for development and construction of the project.	36 37 38 39
	(2)	If the infrastructure planner asks, under section 30(2B)(b), the consumer trustee to amend the maximum capital costs amount, the consumer trustee must decide to—	40 41 42
	(a)	amend, by written notice to the regulator, the maximum capital costs amount, or	43 44

- (b) refuse to amend the maximum capital costs amount. 1
- (3) In deciding whether to amend the maximum capital costs amount under subsection (2), the consumer trustee must have regard to any relevant amendments authorised by the consumer trustee under section 30AA(2)(a). 2  
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- (4) The consumer trustee must— 5
  - (a) give the Minister written notice of the maximum capital costs amount as soon as practicable after giving written notice of the amount to the regulator under subsection (1), and 6  
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8
  - (b) give the Minister written notice of an amended maximum capital costs amount as soon as practicable after giving written notice of the amended amount to the regulator under subsection (2). 9  
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11
- (5) The consumer trustee must not disclose the maximum capital costs amount to any person other than— 12  
13
  - (a) the regulator under subsection (1) or (2), or 14
  - (b) the Minister under subsection (4). 15
- (6) The regulator must not disclose the maximum capital costs amount to any person. 16  
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- (7) The Minister may, by written notice (a *Ministerial disclosure notice*), disclose the maximum capital costs amount to a person (a *recipient*) at any time. 18  
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- (8) The Minister may disclose the maximum capital costs amount under subsection (7) subject to conditions relating to the further disclosure and confidentiality of the maximum capital costs amount, including conditions— 20  
21  
22
  - (a) authorising a recipient to disclose the maximum capital costs amount to a specified person or class of persons, or 23  
24
  - (b) providing for the way in which, and conditions on which, a recipient may disclose the maximum capital costs amount, or 25  
26
  - (c) requiring persons to whom a recipient discloses the maximum capital costs amount to keep the maximum capital costs amount confidential. 27  
28
- (9) A recipient must not disclose the maximum capital costs amount to a person unless the disclosure— 29  
30
  - (a) is authorised by the Ministerial disclosure notice, and 31
  - (b) otherwise complies with the conditions of the Ministerial disclosure notice. 32  
33
- (10) A person to whom a recipient discloses the maximum capital costs amount— 34
  - (a) must not disclose the maximum capital costs amount to a person, and 35
  - (b) must comply with the conditions of the Ministerial disclosure notice. 36
- (11) The regulations may make further provision about the following— 37
  - (a) the exercise of the consumer trustee’s functions under this section, 38
  - (b) requiring the infrastructure planner to give information to the consumer trustee. 39  
40

**[11] Part 5, Division 1AA** 41  
Insert after Part 5, Division 1— 42

<b>Division 1AA</b>	<b>Appointment of network operators to carry out REZ network infrastructure projects</b>	1
		2
<b>31A</b>	<b>Infrastructure planner may appoint network operators to carry out REZ network infrastructure projects</b>	3
		4
(1)	The infrastructure planner may appoint a network operator to carry out a REZ network infrastructure project.	5
		6
(2)	The infrastructure planner may, at any time, make one or more appointments for one or more network operators under subsection (1) in relation to the REZ network infrastructure project.	7
		8
		9
(3)	The regulations may make further provision about the exercise of the infrastructure planner's functions under this section, including about—	10
		11
(a)	eligibility criteria for network operators who may be appointed, and	12
(b)	the selection and appointment of network operators.	13
<b>31B</b>	<b>Infrastructure planner may recommend Minister direct authorised REZ network infrastructure projects be carried out</b>	14
		15
(1)	The infrastructure planner may recommend to the Minister that the Minister direct a network operator to carry out an authorised REZ network infrastructure project.	16
		17
		18
(2)	The infrastructure planner may, at any time, recommend one or more directions be given to one or more network operators under subsection (1) in relation to the authorised REZ network infrastructure project.	19
		20
		21
(3)	The regulations may make further provision about the exercise of the infrastructure planner's functions under this section, including the circumstances in which the infrastructure planner must not make a recommendation to the Minister under subsection (1).	22
		23
		24
		25
<b>[12]</b>	<b>Section 32 Minister may direct network infrastructure projects be carried out</b>	26
	Omit section 32(5). Insert instead—	27
(5)	The regulations may make further provision about the following—	28
(a)	the exercise of the Minister's functions under this section,	29
(b)	the classes of renewable energy zones in relation to which a direction may be given,	30
		31
(c)	the classes of authorised REZ network infrastructure projects and priority network infrastructure projects in relation to which a direction may be given.	32
		33
		34
<b>[13]</b>	<b>Section 33</b>	35
	Omit the section. Insert instead—	36
<b>33</b>	<b>Directions for authorised REZ network infrastructure projects</b>	37
(1)	The Minister may give a network operator a direction under section 32(1)(a) only if the infrastructure planner has recommended the giving of the direction under section 31B.	38
		39
		40
(2)	Before giving the network operator the direction, the Minister must consult with the Minister for Planning and Public Spaces.	41
		42
(3)	The regulations may make further provision about the following—	43



(a)	the exercise of the Minister's functions under this section,	1
(b)	the eligibility criteria and selection process for network operators who may be directed to carry out authorised REZ network infrastructure projects,	2 3 4
(c)	the matters the Minister may or must consider when deciding whether to direct a network operator to carry out an authorised REZ network infrastructure project.	5 6 7
<b>[14]</b>	<b>Section 35 Failure to comply with direction</b>	8
	Omit section 35(1), penalty. Insert instead—	9
	Maximum penalty—	10
(a)	for a corporation—18,000 penalty units, or	11
(b)	for an individual—3,500 penalty units.	12
<b>[15]</b>	<b>Section 35(3) and (4)</b>	13
	Omit section 35(3). Insert instead—	14
(3)	A person cannot, in relation to the same act or omission, be both—	15
(a)	prosecuted for an offence against subsection (1), and	16
(b)	dealt with by the Minister or the Tribunal for a contravention of a licence condition under the <i>Electricity Supply Act 1995</i> , Schedule 2, clause 8 or 8A.	17 18 19
(4)	A person must not bring proceedings for the prosecution of an offence against subsection (1) in relation to an act or omission unless the person—	20 21
(a)	has considered whether the act or omission has been or is likely to be the subject of another penalty or action under the <i>National Electricity (NSW) Law</i> , and	22 23 24
(b)	is satisfied that it is nevertheless appropriate to bring the proceedings.	25
<b>[16]</b>	<b>Section 35AA</b>	26
	Insert after section 35—	27
<b>35AA</b>	<b>Directors and managers liable for failures to comply with directions</b>	28
(1)	If a corporation contravenes section 35(1), each of the following persons is to be treated as having contravened the section if the person knowingly authorised or permitted the contravention—	29 30 31
(a)	a person who is a director of the corporation, or	32
(b)	a person who is concerned in the management of the corporation.	33
(2)	A person may, under this section, be proceeded against and convicted for a contravention of section 35(1) whether or not the corporation has been proceeded against or convicted for a contravention of the section.	34 35 36
(3)	Nothing in this section affects any liability imposed on a corporation for an offence against section 35(1) committed by the corporation.	37 38
<b>[17]</b>	<b>Section 36A Definitions</b>	39
	Omit the definition of <i>authorisation</i> , paragraph (a). Insert instead—	40
(a)	an appointment by the infrastructure planner under section 31A(1) in relation to an authorised REZ network infrastructure project, or	41 42

<b>[18]</b>	<b>Section 38 Regulator to determine amount payable to or by network operators for network infrastructure projects</b>	1 2
	Insert “of the network operator” after “costs” in section 38(4).	3
<b>[19]</b>	<b>Section 38(6)</b>	4
	Omit the subsection. Insert instead—	5
	(6) If a determination relates to the amount payable to a network operator appointed under section 31A to carry out a REZ network infrastructure project, the amount calculated under subsection (4) must not exceed the difference between the maximum capital costs amount for the project and the sum of the following—	6 7 8 9 10
	(a) any amounts paid or payable, under another determination for the project, to a network operator for the capital costs of development and construction of the project,	11 12 13
	(b) any amounts that have been paid, or are likely to be paid, out of the Fund to the infrastructure planner for the project.	14 15
<b>[20]</b>	<b>Part 5, Division 4</b>	16
	Insert after Division 3—	17
	<b>Division 4      Miscellaneous</b>	18
<b>42A</b>	<b>Application of National Electricity (NSW) Law and National Electricity Rules in relation to system security services</b>	19 20
	(1) The regulations may modify the application of, or disapply, a provision of the <i>National Electricity (NSW) Law</i> or the <i>National Electricity Rules</i> to the extent reasonably necessary to achieve the objects of this Act and to enable the planning, provision and management of system security services in connection with network infrastructure, including infrastructure not owned by the system strength service provider.	21 22 23 24 25 26
	(2) A regulation under this section that affects the operation or safety of network infrastructure may not be made unless the Minister has consulted with distribution network service providers and transmission network service providers.	27 28 29 30
	(3) A regulation under this section that affects AEMO in the exercise of its functions may not be made without the concurrence of AEMO.	31 32
<b>[21]</b>	<b>Section 43 Application of Part</b>	33
	Omit “registered capacity” from section 43(1)(b)(i).	34
	Insert instead “relevant capacity”.	35
<b>[22]</b>	<b>Section 43(3)</b>	36
	Insert in alphabetical order—	37
	<i>maximum capacity</i> , for infrastructure, means the amount, in megawatts, shown as the maximum capacity for generation for the infrastructure in the NEM registration and exemption list.	38 39 40
	<i>NEM registration and exemption list</i> means the document titled <i>NEM registration and exemption list</i> published by AEMO or a document that replaces the document.	41 42 43

	<i>relevant capacity</i> , for long-duration storage infrastructure for storage of electricity, means the lower of the following—	1
		2
	(a) the registered capacity for the infrastructure,	3
	(b) the maximum capacity for the infrastructure.	4
<b>[23]</b>	<b>Section 55 Payments out of Fund</b>	5
	Insert “, infrastructure planner” after “financial trustee” in section 55(b).	6
<b>[24]</b>	<b>Section 68 Suspension or termination of appointment</b>	7
	Omit section 68(2) and (3). Insert instead—	8
	(2) The appointor may suspend or terminate the appointment of a person or body, other than the person or body appointed as the consumer trustee, only if an audit of the performance of the person or body carried out under section 67 finds incompetence, misconduct or incapacity.	9
		10
		11
		12
	(2A) The appointor may—	13
	(a) suspend the appointment of a person or body appointed as the consumer trustee only if an audit of the performance of the person or body carried out under section 67 finds incompetence, misconduct or incapacity, or	14
		15
		16
	(b) terminate the appointment of a person or body appointed as the consumer trustee on either of the following grounds—	17
		18
	(i) the appointor is reasonably satisfied the person or body is unable to act independently,	19
		20
	(ii) an audit of the performance of the person or body carried out under section 67 finds incompetence, misconduct or incapacity.	21
		22
	(3) Before terminating the appointment of a person or body under this part, the appointor must give the person or body—	23
		24
	(a) written notice of the reasons for the proposed termination, and	25
	(b) an opportunity to make submissions and consider the submissions received.	26
		27
<b>[25]</b>	<b>Section 71 Delegation</b>	28
	Insert after section 71(4)—	29
	(5) The Secretary may subdelegate a function delegated to the Secretary by the Minister under subsection (1) to an authorised person, unless the Minister otherwise provides in the instrument of delegation to the Secretary.	30
		31
		32
	(6) The Secretary may delegate the Secretary’s functions under this Act, other than this power of delegation, to an authorised person.	33
		34
	(7) In this section—	35
	<i>authorised person</i> means—	36
	(a) an employee of the Department, or	37
	(b) a person, or a person of a class, prescribed by the regulations.	38
<b>[26]</b>	<b>Section 80, heading</b>	39
	Omit “about civil penalty provisions in modified National Electricity Rules”.	40
<b>[27]</b>	<b>Schedule 1 Savings, transitional and other provisions</b>	41
	Insert after clause 4—	42

## Part 4 Provisions consequent on enactment of Energy Legislation Amendment Act 2025

### 5 Deemed authorisation of certain REZ network infrastructure projects

- (1) This clause applies in relation to a REZ network infrastructure project if, immediately before the commencement of this clause, an authorisation by the consumer trustee under previous section 31(1)(b) authorising a network operator to carry out the project (an *existing authorisation*) is in effect.
- (2) On the commencement of this clause—
  - (a) the consumer trustee is taken to have authorised the REZ network infrastructure project under section 30AA(1)(a), and
  - (b) the existing authorisation is taken to be an appointment of the network operator by the infrastructure planner under section 31A(1) to carry out the REZ network infrastructure project.
- (3) In this clause—  
*previous*, in relation to a provision, means the provision as in force before the commencement of this clause.

### 6 References to registered capacity for long-duration storage infrastructure in existing LTES agreements and related project development agreements—section 43

- (1) On and from the commencement of this clause—
  - (a) a reference in an existing LTES agreement or a related project development agreement to the registered capacity, as defined by or within the meaning of this Act, for or in relation to LDS infrastructure specified in the agreement is taken to be a reference to the relevant capacity for or in relation to the LDS infrastructure, and
  - (b) for the purposes of the existing LTES agreement or related project development agreement, the relevant capacity for or in relation to the LDS infrastructure is taken to mean the relevant capacity for the LDS infrastructure under amended section 43(3).
- (2) In this clause—  
*amended*, in relation to a provision, means the provision as in force on and from the commencement of this clause.  
*existing LTES agreement* means an LTES agreement in force at the commencement of this clause.  
*LDS infrastructure* means long-duration storage infrastructure for storage of electricity.  
*related project development agreement*, in relation to an existing LTES agreement, means a project development agreement—
  - (a) entered into between the scheme financial vehicle and the LTES operator under the existing LTES agreement in support of the existing LTES agreement, and
  - (b) in force at the commencement of this clause.

### [28] Schedule 2 Modification of National Electricity (NSW) Law

Insert before Schedule 2[1]—

<b>2.1</b>	<b>Modification of National Electricity (NSW) Law about civil penalty provisions in modified National Electricity Rules</b>	1
		2
<b>[29]</b>	<b>Schedule 2.2</b>	3
	Insert at the end of Schedule 2—	4
<b>2.2</b>	<b>Modification of National Electricity (NSW) Law about system security services</b>	5
		6
<b>[1]</b>	<b>Section 2 Definitions</b>	7
	Insert after section 2(1), definition of “National Electricity Rules or Rules”, paragraph (ac), as inserted by Schedule 2.1[2]—	8
	(ad) section 42A rules, except in Parts 4 and 7; and	9
		10
<b>[2]</b>	<b>Section 2(1), definition of “section 42A rule”</b>	11
	Insert in alphabetical order in section 2(1)—	12
	<i>section 42A rule</i> means a provision included in the Rules by operation of a regulation under section 42A of the <i>Electricity Infrastructure Investment Act 2020</i> .	13
		14
		15
<b>[3]</b>	<b>Section 2AA Meaning of civil penalty provision and conduct provision</b>	16
	Insert after section 2AA(1)(bb), as inserted by Schedule 2.1[3]—	17
	(bc) a section 42A rule that is declared by the provision or another provision to be a civil penalty provision; or	18
		19
<b>[4]</b>	<b>Section 2AB Civil penalty amounts for breaches of civil penalty provisions</b>	20
	Insert “or section 42A rule” after “section 27/41 rule” in section 2AB(3), as inserted by Schedule 2.1[4].	21
		22
<b>[5]</b>	<b>Section 28ZJ Functions where AER is regulator</b>	23
	Insert “or section 42A rule” after “section 27/41 rule” in section 28ZJ(3), definition of <i>relevant provision</i> , as inserted by Schedule 2.1[7].	24
		25
<b>[6]</b>	<b>Section 34 Rule making powers</b>	26
	Insert “or section 42A rule” after “section 27/41 rule” in section 34(4), as inserted by Schedule 2.1[8].	27
		28
<b>[30]</b>	<b>Dictionary</b>	29
	Insert in alphabetical order—	30
	<i>authorised REZ network infrastructure project</i> , for Part 5—see section 30A.	31
	<i>infrastructure investment objectives report</i> , for Part 5—see section 30A.	32
	<i>maximum capacity</i> , for Part 6—see section 43(3).	33
	<i>maximum capital costs amount</i> , for an authorised REZ network infrastructure project, for Part 5—see section 30A.	34
		35
	<i>NEM registration and exemption list</i> , for Part 6—see section 43(3).	36
	<i>relevant capacity</i> , for Part 6—see section 43(3).	37

## Schedule 2 Amendment of Electricity Supply Act 1995 No 94

### [1] Section 3 Objects

Insert after section 3(b)—

- (c) to facilitate and support the efficient and timely investment in electricity infrastructure under the *Electricity Infrastructure Investment Act 2020*, and

### [2] Section 31A Accredited service providers

Insert after section 31A(4)—

- (4A) Without limiting subsection (4), the regulations may provide for the making of rules (*scheme rules*) by the Minister for or with respect to the following—
  - (a) the classes of contestable network services a person may be accredited to provide,
  - (b) the eligibility requirements for—
    - (i) an accreditation, including the required qualifications, experience and training, or
    - (ii) a renewal of an accreditation,
  - (c) the means by which a person applying for an accreditation or renewal of an accreditation may give evidence of the person's eligibility for accreditation or renewal,
  - (d) fees required for an application for, or renewal of, an accreditation,
  - (e) other matters required or permitted to be specified in the scheme rules by this Act or the regulations.

### [3] Part 4, heading

Insert “and charges” after “pricing”.

### [4] Part 4, Division 5

Insert after Division 4—

## Division 5 Solar-generated electricity supplied by customers

### 43F Definition

In this division—

*solar-generated electricity* means electricity generated by a solar photovoltaic system.

### 43G Solar-generated electricity supplied by small customers

If a small customer supplies solar-generated electricity to a retailer or an exempt seller, the retailer or exempt seller must not—

- (a) charge the customer for the solar-generated electricity supplied, or
- (b) credit the customer for the solar-generated electricity supplied at a rate less than \$0 per kilowatt hour.

Maximum penalty—

- (a) for a corporation—100 penalty units, or
- (b) for an individual—50 penalty units.

<b>43H</b>	<b>Solar-generated electricity supplied by customers other than small customers</b>	1
(1)	This section applies if a customer, other than a small customer, supplies solar-generated electricity to a retailer or an exempt seller during a billing period for the customer.	2 3 4
(2)	The retailer or exempt seller must not charge the customer an amount for the solar-generated electricity supplied that is more than the amount credited to the customer for the solar-generated electricity supplied.	5 6 7
	Maximum penalty—	8
	(a) for a corporation—100 penalty units, or	9
	(b) for an individual—50 penalty units.	10
(3)	In this section—	11
	<i>billing period</i> , for a customer other than a small customer, means the period to which a bill, issued to the customer by the retailer or exempt seller, applies.	12 13
<b>[5]</b>	<b>Section 44 Acquisition of land</b>	14
	Omit section 44(5).	15
<b>[6]</b>	<b>Section 77 Regulatory functions of Tribunal</b>	16
	Insert after section 77(1)(b)—	17
	(b1) the functions under Division 4A relating to embedded networks, and	18
<b>[7]</b>	<b>Section 77(1)(c1)</b>	19
	Insert after section 77(1)(c)—	20
	(c1) the function of instituting and conducting proceedings under the <i>National Electricity (NSW) Law</i> in accordance with the modifications of that Law set out in this Act, Schedule 1, and	21 22 23
<b>[8]</b>	<b>Section 77(1), note</b>	24
	Insert at the end of the subsection—	25
	<b>Note—</b> The modifications in Schedule 1 enable the Tribunal to apply to the Supreme Court for various orders, including the payment of civil penalties, in respect of a breach of the <i>National Electricity Rules</i> , clause 5.2.3(f) to the extent that the breach concerns non-compliance with a licence issued under this Act.	26 27 28 29
<b>[9]</b>	<b>Section 78</b>	30
	Insert after section 77—	31
	<b>78 Modification of National Electricity (NSW) Law about proceedings instituted by Tribunal</b>	32 33
	The <i>National Electricity (NSW) Law</i> is modified as set out in Schedule 1.	34
<b>[10]</b>	<b>Part 7, Division 4A</b>	35
	Insert after section 91—	36
	<b>Division 4A Embedded networks</b>	37
	<b>91A Definition</b>	38
	In this division—	39

	<i>price determination</i> means the maximum price for an embedded network commodity set by the Tribunal under the <i>National Energy Retail Law (NSW)</i> , section 116B.	1 2 3
<b>91B</b>	<b>Monitoring and investigation</b>	4
	(1) The Tribunal may monitor compliance by an embedded network seller with the price determinations that apply to the seller.	5 6
	(2) The Tribunal may investigate an embedded network seller's pricing of an embedded network commodity and compliance with the price determinations that apply to the seller.	7 8 9
	(3) An investigation may be commenced—	10
	(a) because of one or more complaints to an energy ombudsman, or	11
	(b) on the Tribunal's own motion.	12
<b>91C</b>	<b>Tribunal may obtain information</b>	13
	(1) The Tribunal may, by written notice, require an embedded network seller to give the Tribunal the information specified in the notice for one or more of the following purposes—	14 15 16
	(a) to allow the Tribunal to make a price determination,	17
	(b) to monitor compliance with a price determination,	18
	(c) for an investigation.	19
	(2) An embedded network seller must not, without reasonable excuse, fail to comply with a notice given to the seller.	20 21
	Maximum penalty—100 penalty units.	22
<b>91D</b>	<b>Tribunal may give direction</b>	23
	(1) Following an investigation the Tribunal may, if satisfied an embedded network seller is failing to comply with a price determination, direct the seller to take specified action to comply with the determination, within the reasonable time specified in the direction.	24 25 26 27
	(2) An embedded network seller must not fail to comply with a direction.	28
	Maximum penalty—	29
	(a) for a corporation—2,000 penalty units and, for a continuing offence, a further 200 penalty units for each day the offence continues, or	30 31
	(b) otherwise—100 penalty units and, for a continuing offence, a further 10 penalty units for each day the offence continues.	32 33
<b>[11]</b>	<b>Section 93B, heading</b>	34
	Omit "REZ".	35
<b>[12]</b>	<b>Section 93B(1)</b>	36
	Omit the subsection. Insert instead—	37
	(1) A person must not, without a transmission operator's licence, operate a transmission system that is the subject of—	38 39
	(a) a network operator's appointment under the <i>Electricity Infrastructure Investment Act 2020</i> , section 31A(1), or	40 41
	(b) a network operator's direction given under the <i>Electricity Infrastructure Investment Act 2020</i> , section 32(1), or	42 43



	(c) a network operator's authorisation under the <i>Electricity Infrastructure Investment Act 2020</i> , section 36(2).	1
	Maximum penalty—5,000 penalty units.	2
		3
<b>[13]</b>	<b>Section 96CA</b>	4
	Insert after section 96C—	5
	<b>96CA Embedded network operators and sellers</b>	6
	Each embedded network operator and embedded network seller must—	7
	(a) be a member of an approved energy ombudsman scheme, and	8
	(b) comply with a decision of the energy ombudsman under the scheme relating to a dispute or complaint involving a small customer.	9
		10
<b>[14]</b>	<b>Section 98EA Regulations for schemes established by regulations amending Schedule 4A</b>	11
	Omit section 98EA(2).	12
		13
<b>[15]</b>	<b>Section 186 Recovery of fees and penalties</b>	14
	Insert “or the Tribunal” after “the Minister”.	15
<b>[16]</b>	<b>Sections 192B and 192C</b>	16
	Insert after section 192A—	17
	<b>192B Regulations relating to network-to-network connections</b>	18
	(1) The regulations may make provision about matters relating to network-to-network connections to the extent reasonably necessary to achieve the objects of this Act, including provisions about planning, negotiating and delivering network-to-network connections.	19
		20
		21
		22
	(2) The regulations may modify the application of, or disapply, a provision of the <i>National Electricity (NSW) Law</i> or the <i>National Electricity Rules</i> to the extent reasonably necessary to give effect to regulations made under subsection (1).	23
		24
		25
	<b>192C Network-to-network connection guidelines</b>	26
	(1) The Minister may, from time to time, issue guidelines providing for matters relating to network-to-network connections.	27
		28
	(2) The guidelines may include the following—	29
	(a) principles for conducting and engaging in the planning, negotiation and delivery of network-to-network connections,	30
		31
	(b) processes and requirements for—	32
	(i) the planning, negotiation and delivery of network-to-network connections, and	33
		34
	(ii) information sharing for the purposes of planning, negotiating and delivering network-to-network connections, and	35
		36
	(iii) compliance and dispute resolution,	37
	(c) requirements that apply in relation to specific network-to-network connections ( <i>project-specific schedules</i> ), including planning, procurement and delivery milestones,	38
		39
		40
	(d) processes for developing and amending project-specific schedules,	41

(e)	standard templates for agreements and documents relating to network-to-network connections,	1
(f)	other matters relating to network-to-network connections that the Minister considers necessary.	2
(3)	A provision of a project-specific schedule prevails over a general provision of the guidelines to the extent of any inconsistency.	3
		4
<b>[17]</b>	<b>Section 194</b>	5
	Insert after section 193—	6
<b>194</b>	<b>Continuing offences</b>	7
(1)	This section applies to a provision of this Act or the regulations requiring a person to do, or stop doing, something (a <i>continuing requirement provision</i> ) regardless of whether—	8
(a)	the requirement is imposed by a notice or in another way, or	9
(b)	the person is required to do, or stop doing, something within a specified period.	10
(2)	A person who is guilty of an offence because the person contravenes a continuing requirement provision—	11
(a)	continues, until the requirement is complied with and despite the fact a specified period has expired or time has passed, to be liable to comply with the requirement, and	12
(b)	is guilty of a continuing offence for each day the contravention continues.	13
(3)	This section does not apply to an offence if the relevant provision of this Act or the regulations does not provide for a penalty for a continuing offence.	14
(4)	This section does not apply to the extent that a requirement imposed on a person is revoked.	15
<b>[18]</b>	<b>Schedule 1</b>	16
	Insert before Schedule 2—	17
	<b>Schedule 1 Modification of National Electricity (NSW) Law</b>	18
	section 78	19
	<b>Note—</b> This schedule contains modifications of the <i>National Electricity (NSW) Law</i> that are necessary to enable the Tribunal to institute certain civil penalty proceedings under that Law. As a consequence of these modifications, other provisions of that Law will apply to those proceedings without the need for further modification.	20
<b>[1]</b>	<b>Section 61 Proceedings for breaches of a provision of this Law, the Regulations or the Rules that are not offences</b>	21
	Insert after section 61(1)—	22
(1A)	Without limiting subsection (1), the Court may make an order, on application by the IPART on behalf of the State of New South Wales, declaring that a person has breached clause 5.2.3(f) of the Rules, to the extent that the breach of that clause concerns non-compliance with a licence issued under the <i>Electricity Supply Act 1995</i> of New South Wales.	23

<b>Note—</b> Clause 5.2.3(f) of the Rules is prescribed by the Regulations as a tier 1 civil penalty provision.	1 2
<b>[2] Section 61(5) and (6)</b>	3
Insert after section 61(4)—	4
(5) Subsection (3) and sections 2AB(2), 60 and 69 apply, for the purposes of subsection (1A), with the following modifications—	5 6
(a) a reference to the AER is taken to be a reference to the IPART;	7
(b) a reference to the Commonwealth is taken to be a reference to the State of New South Wales.	8 9
(6) In this section—	10
<i>IPART</i> means the Independent Pricing and Regulatory Tribunal established by section 5(1) of the <i>Independent Pricing and Regulatory Tribunal Act 1992</i> of New South Wales.	11 12 13
<b>[3] Section 62 Additional Court orders</b>	14
Insert at the end of the section—	15
(2) This section applies only in relation to an order made on application by the AER on behalf of the Commonwealth.	16 17
<b>[4] Schedule 2 Miscellaneous provisions relating to interpretation</b>	18
Insert after clause 39(3)—	19
(3A) The Court must not make an order under section 61(1A) declaring that a person has breached clause 5.2.3(f) of the Rules if action has been taken against the person under clause 8 or 8A of Schedule 2 to the <i>Electricity Supply Act 1995</i> of New South Wales in relation to a contravention constituted by conduct that is substantially the same as the conduct constituting the breach.	20 21 22 23 24 25
<b>[19] Schedule 2 Licences</b>	26
Omit “40 days” from clause 3(2)(e). Insert instead “28 days”.	27
<b>[20] Schedule 2, clause 3(5)(a)</b>	28
Omit the paragraph.	29
<b>[21] Schedule 2, clause 4(4)</b>	30
Insert after clause 4(3)—	31
(4) The Minister must publish a notice on a publicly accessible website that states whether the application is granted or refused.	32 33
<b>[22] Schedule 2, clause 6(2)(b)</b>	34
Insert “or any other Act” after “this Act”.	35
<b>[23] Schedule 2, clause 6(2)(j) and (k)</b>	36
Omit “guidelines.” from clause 6(2)(i)(ii). Insert instead—	37
guidelines,	38
(j) a condition requiring the holder of the licence to comply with the network-to-network connection guidelines,	39 40

	(k) a condition requiring the holder of the licence to participate in negotiations in the holder's capacity as the holder of a licence in good faith.	1 2 3
<b>[24]</b>	<b>Schedule 2, clause 6(6)(a1)</b>	4
	Insert after clause 6(6)(a)—	5
	(a1) the eligibility of owners of land and holders of other interests in land that are impacted by transmission infrastructure to receive strategic benefit payments,	6 7 8
<b>[25]</b>	<b>Schedule 2, clause 6(6)(e1)</b>	9
	Insert after clause 6(6)(e)—	10
	(e1) other matters prescribed by the regulations,	11
<b>[26]</b>	<b>Schedule 2, clause 6(7)</b>	12
	Omit the subclause.	13
<b>[27]</b>	<b>Schedule 2, clause 8(1)(b) and (c)</b>	14
	Omit the paragraphs. Insert instead—	15
	(b) if the Minister is satisfied that the licensee knowingly contravened the requirement—impose on the licensee a monetary penalty not exceeding \$550,000 for the first day on which the contravention occurs and a further \$2,000 for each subsequent day, not exceeding 30 days, on which the contravention continues,	16 17 18 19 20
	(c) if the Minister is satisfied that a person who is a director of, or concerned in the management of, the licensee knowingly authorised or permitted the contravention—impose on the person a monetary penalty not exceeding \$100,000 for the first day on which the contravention occurs and a further \$2,000 for each subsequent day, not exceeding 30 days, on which the contravention continues,	21 22 23 24 25 26
<b>[28]</b>	<b>Schedule 2, clause 8(2), penalty</b>	27
	Omit the penalty. Insert instead—	28
	Maximum penalty—	29
	(a) for a corporation—18,000 penalty units, or	30
	(b) otherwise—3,500 penalty units.	31
<b>[29]</b>	<b>Schedule 2, clause 8(4)</b>	32
	Insert after clause 8(3)—	33
	(4) The Minister must not take action under this clause unless the Minister—	34
	(a) has considered whether the contravention has been or is likely to be the subject of another penalty or action or any claim for compensation, and	35 36
	(b) is satisfied that it is nevertheless appropriate to take action under this clause.	37 38
<b>[30]</b>	<b>Schedule 2, clause 8A(1)(b) and (c)</b>	39
	Omit the paragraphs. Insert instead—	40
	(b) if the Tribunal is satisfied that the licensee knowingly contravened the requirement—impose on the licensee a monetary penalty not exceeding \$550,000 for the first day on which the contravention occurs and a	41 42 43

	further \$2,000 for each subsequent day, not exceeding 30 days, on which the contravention continues,	1
		2
	(c) if the Tribunal is satisfied that a person who is a director of, or concerned in the management of, the licensee knowingly authorised or permitted the contravention—impose on the person a monetary penalty not exceeding \$100,000 for the first day on which the contravention occurs and a further \$2,000 for each subsequent day, not exceeding 30 days, on which the contravention continues,	3
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<b>[31]</b>	<b>Schedule 2, clause 8A(1), note</b>	9
	Insert at the end of the subclause—	10
	<b>Note—</b> As a consequence of the modifications of the <i>National Electricity (NSW) Law</i> set out in Schedule 1, the Tribunal may also apply to the Supreme Court under that Law, section 61 for a declaration that the holder of a licence has breached the <i>National Electricity Rules</i> , clause 5.2.3(f) and for further orders under that section.	11
		12
		13
		14
<b>[32]</b>	<b>Schedule 2, clause 8A(3), penalty</b>	15
	Omit the penalty. Insert instead—	16
	Maximum penalty—	17
	(a) for a corporation—18,000 penalty units, or	18
	(b) otherwise—3,500 penalty units.	19
<b>[33]</b>	<b>Schedule 2, clause 8B</b>	20
	Insert after clause 8A—	21
	<b>8B Double jeopardy</b>	22
	The Minister or the Tribunal must not take action under clause 8 or 8A for a contravention if the Supreme Court has made a declaration under the <i>National Electricity (NSW) Law</i> , section 61(1A) in relation to a breach of the <i>National Electricity Rules</i> , clause 5.2.3(f) constituted by conduct that is substantially the same as the conduct constituting the contravention.	23
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<b>[34]</b>	<b>Schedule 4A Energy security safeguard schemes</b>	28
	Omit clause 148(1), definitions of <i>carried forward shortfall</i> and <i>compliance period</i> .	29
	Insert in alphabetical order—	30
	<i>carried forward shortfall</i> means a shortfall, or part of a shortfall, for a scheme target for a compliance period that is carried forward to the next compliance period under an election by a scheme participant in accordance with clause 165.	31
		32
		33
		34
	<i>compliance period</i> means—	35
	(a) for a specified year—the period of 12 months commencing on 1 January in the specified year, or	36
		37
	<b>Example—</b> The 2027 compliance period means the compliance period commencing on 1 January 2027 and ending at the end of 31 December 2027.	38
		39
	(b) otherwise—a calendar year.	40
<b>[35]</b>	<b>Schedule 4A, clause 149(1)</b>	41
	Omit the note.	42
<b>[36]</b>	<b>Schedule 4A, clause 150(4)</b>	43
	Insert after clause 150(3)—	44

	(4) The renewable fuel scheme commences on 1 January 2027.	1
<b>[37]</b>	<b>Schedule 4A, clause 165(1A)</b>	2
	Insert after clause 165(1)—	3
	(1A) An election by a scheme participant to carry forward a shortfall—	4
	(a) must be made to the Scheme Regulator in accordance with this part, and	5
	(b) has no effect unless the election is accepted by the Scheme Regulator.	6
<b>[38]</b>	<b>Schedule 4A, clause 165(3)</b>	7
	Omit “2025”. Insert instead “2028”.	8
<b>[39]</b>	<b>Schedule 4A, clauses 165(3)(a), 170(6)(a), 217(2)(a) and (5) and 224(8)</b>	9
	Omit “2024” wherever occurring. Insert instead “2027”.	10
<b>[40]</b>	<b>Schedule 4A, clause 166(1)</b>	11
	Omit “who has a carried forward shortfall in a compliance period”.	12
	Insert instead “who has a carried forward shortfall for a compliance period”.	13
<b>[41]</b>	<b>Schedule 4A, clause 166(2A)</b>	14
	Insert after clause 166(2)—	15
	(2A) An election by a scheme participant to surrender a certificate to remedy a carried forward shortfall—	16
	(a) must be made to the Scheme Regulator in accordance with this part, and	17
	(b) has no effect unless the election is accepted by the Scheme Regulator.	18
<b>[42]</b>	<b>Schedule 4A, clause 170(8)</b>	20
	Omit the subclause.	21
<b>[43]</b>	<b>Schedule 4A, clause 183(5)</b>	22
	Insert after clause 183(4)—	23
	(5) The regulations may provide for the following—	24
	(a) the revocation of the cancellation of certificates in connection with an amendment to a scheme participant’s individual liable use or annual statement,	25
	(b) the revival of certificates.	26
<b>[44]</b>	<b>Schedule 4A, clause 224(1)</b>	29
	Omit “year.”. Insert instead “year (the <i>reporting year</i> ).”	30
<b>[45]</b>	<b>Schedule 4A, clause 224(3)</b>	31
	Omit the subclause. Insert instead—	32
	(3) Without limiting subclause (1), the report must contain the following—	33
	(a) the name of each scheme participant during the reporting year,	34
	(b) a summary of each scheme participant’s performance in relation to the participant’s individual certificate targets for the reporting year,	35
	(c) the total number of certificates surrendered during the reporting year,	36
	(d) the total number of certificates created during the reporting year,	37
		38

	(e) the total number of certificates created in previous years and not surrendered before the beginning of the reporting year,	1 2
	(f) an assessment of the extent of an over supply of certificates that may be surrendered during the reporting year,	3 4
	(g) an estimate, prepared by the Scheme Administrator, of the actual amount of renewable fuels produced during the reporting year, having regard to the number of certificates created.	5 6 7
<b>[46]</b>	<b>Schedule 6 Savings, transitional and other provisions</b>	8
	Insert at the end of the schedule, with appropriate part and clause numbering—	9
<b>Part</b>	<b>Provision consequent on enactment of Energy Legislation Amendment Act 2025</b>	10 11
	<b>Renewable fuel scheme not enforceable before 1 January 2027</b>	12
	(1) Proceedings must not be taken against a person in relation to a contravention of, or failure to comply with, a requirement of the renewable fuel scheme if the contravention or failure occurred before 1 January 2027.	13 14 15
	(2) In this clause—	16
	<i>renewable fuel scheme</i> means the scheme established under Schedule 4A, Part 3.	17 18
<b>[47]</b>	<b>Dictionary</b>	19
	Insert in alphabetical order—	20
	<i>network infrastructure</i> has the same meaning as in the <i>Electricity Infrastructure Investment Act 2020</i> .	21 22
	<i>network-to-network connection</i> means the connection of new network infrastructure to existing network infrastructure.	23 24
	<i>network-to-network connection guidelines</i> means the guidelines made under section 192C(1).	25 26
<b>[48]</b>	<b>Dictionary</b>	27
	Insert in alphabetical order—	28
	<i>price determination</i> , for Part 7, Division 4A—see section 91A.	29
<b>[49]</b>	<b>Dictionary</b>	30
	Insert in alphabetical order—	31
	<i>solar-generated electricity</i> , for Part 4, Division 5—see section 43F.	32
	<i>strategic benefit payment</i> means a payment required to be made by the holder of a transmission operator's licence under a condition imposed on the licence by the Minister under Schedule 2, clause 6(2)(i).	33 34 35

Schedule 3

Amendment of Electricity Supply (General) Regulation 2014

[1]

Clause 63 Scheme target for green hydrogen

Omit clause 63, table. Insert instead—

Compliance period	Target (in gigajoules)
2027	180,000
2028	3,200,000
2029	5,330,000
2030–2044	8,000,000

[2]

Clause 63A Scheme penalty rates

Omit “2025 and 2026 compliance periods” from clause 63A(1)(a).  
Insert instead “2027 compliance period”.

[3]

Clause 63A(1)(b)

Omit “2027–2036 compliance periods”. Insert instead “2028–2036 compliance periods”.

[4]

Clause 63A(1)(b), definition of “B”

Omit “September 2025 quarter”. Insert instead “September 2027 quarter”.

[5]

Clause 63A(3)

Omit “, other than the 2025 and 2026 compliance periods,”.

[6]

Clause 63B

Omit the clause.



<b>Schedule 4</b>	<b>Amendment of Independent Pricing and</b>	1
	<b>Regulatory Tribunal Act 1992 No 39</b>	2
<b>Section 24F</b>	<b>Regulatory functions of Tribunal</b>	3
Insert after section 24F(c)—		4
(c1)	the <i>National Energy Retail Law (NSW)</i> , Part 5, Division 6A, and	5

**Schedule 5      Amendment of National Electricity (New South  
Wales) Act 1997 No 20**

**Section 9 Regulations**

Insert after section 9(2)—

(3) The regulations may modify the operation of the *National Electricity Rules*, to the extent they apply as a law of New South Wales, by providing for relevant events requiring the payment of strategic benefit payments.

(4) In this section—

***relevant events*** means the following—

- (a) pass through events for the *National Electricity Rules*, clause 6A.7.3,
- (b) positive change events for the *National Electricity Rules*, clause 6A.7.3,
- (c) negative change events for the *National Electricity Rules*, clause 6A.7.3.

***strategic benefit payment*** has the same meaning as in the *Electricity Supply Act 1995*.

<b>Schedule 6</b>	<b>Amendment of Residential (Land Lease)</b>	1
	<b>Communities Act 2013 No 97</b>	2
<b>[1]</b>	<b>Section 77 Utility charges payable to operator or third party supplier</b>	3
	Insert after section 77(7)—	4
	(7A) If there is an inconsistency between the calculation of utility charges under this	5
	section and the calculation of charges under the <i>National Energy Retail Law</i>	6
	( <i>NSW</i> ), Part 5, Division 6A, the calculation under the <i>National Energy Retail</i>	7
	<i>Law (NSW)</i> must be used.	8
<b>[2]</b>	<b>Section 77A Embedded network electricity charges</b>	9
	Omit the section.	10