



ELECTRICITY INFRASTRUCTURE ROADMAP

## Documents supporting implementation of tranche 3 regulations

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# Contents

<b>Introduction .....</b>	<b>1</b>
What is the NSW Electricity Infrastructure Roadmap? .....	1
Implementing the Roadmap .....	1
What is the Department currently consulting on? .....	4
<b>How to find out more and make a submission.....</b>	<b>5</b>
Online sessions .....	5
Make a submission.....	5

# Introduction

This paper provides an overview of the policy and design papers being consulted on throughout September and October 2021 to support the implementation of the NSW Electricity Infrastructure Roadmap (Roadmap).

The purpose of this overview paper is to provide stakeholders with:

- an outline of the papers being consulted on, see **Table 1**
- context for how these papers fit within the broader policy and design issues engagement process, see **Figure 2**.

The Department of Planning, Industry and Environment (the Department) strongly values public consultation. Stakeholder feedback received through the consultation on these papers will inform critical policy decisions needed for the Roadmap's implementation.

## What is the NSW Electricity Infrastructure Roadmap?

The Roadmap is the NSW Government's plan to transform our electricity sector into one that is cheap, clean and reliable. It is enabled by the *Electricity Infrastructure Investment Act 2020* (EII Act), which passed into law with strong cross-party support in December 2020.

The Roadmap sets out a coordinated framework to support \$32 billion of private investment in at least 12 gigawatts of renewable energy generation infrastructure and at least 2 gigawatts of long duration storage infrastructure and supporting network infrastructure by 2030. The Roadmap will also reduce NSW electricity emissions by 90 million tonnes by 2030, helping to deliver on our ambitions to reach net zero emissions by 2050.

## Implementing the Roadmap

Following the public release of the Roadmap in November 2020, the Department established a Taskforce to coordinate and drive its implementation and detailed policy design.

While the EII Act sets out overarching legislative requirements for the Roadmap, there is a further level of detailed design issues that must be resolved by way of options including regulations, rules, guidelines and contracts.

The Department is engaging with stakeholders on policy and design issues and the structure of key options to identify the optimal approach to Roadmap implementation. **Figure 1** below shows, at a high level, the approach being taken to consult on key policy and design issues.

A range of papers have been developed to explore and consult on design and policy issues.

**Figure 2** provides a snapshot of each of the papers being consulted on as part of previous, current and future rounds of engagement.

Stakeholder feedback received through past consultation rounds has already informed critical elements of the Roadmap's implementation, including:

- planning work for the Central West Orana Renewable Energy Zone
- design options for Long-Term Energy Service Agreements
- policy details to inform urgent and mechanical provisions under the EII Act.

Figure 1 Engagement approach for detailed policy design

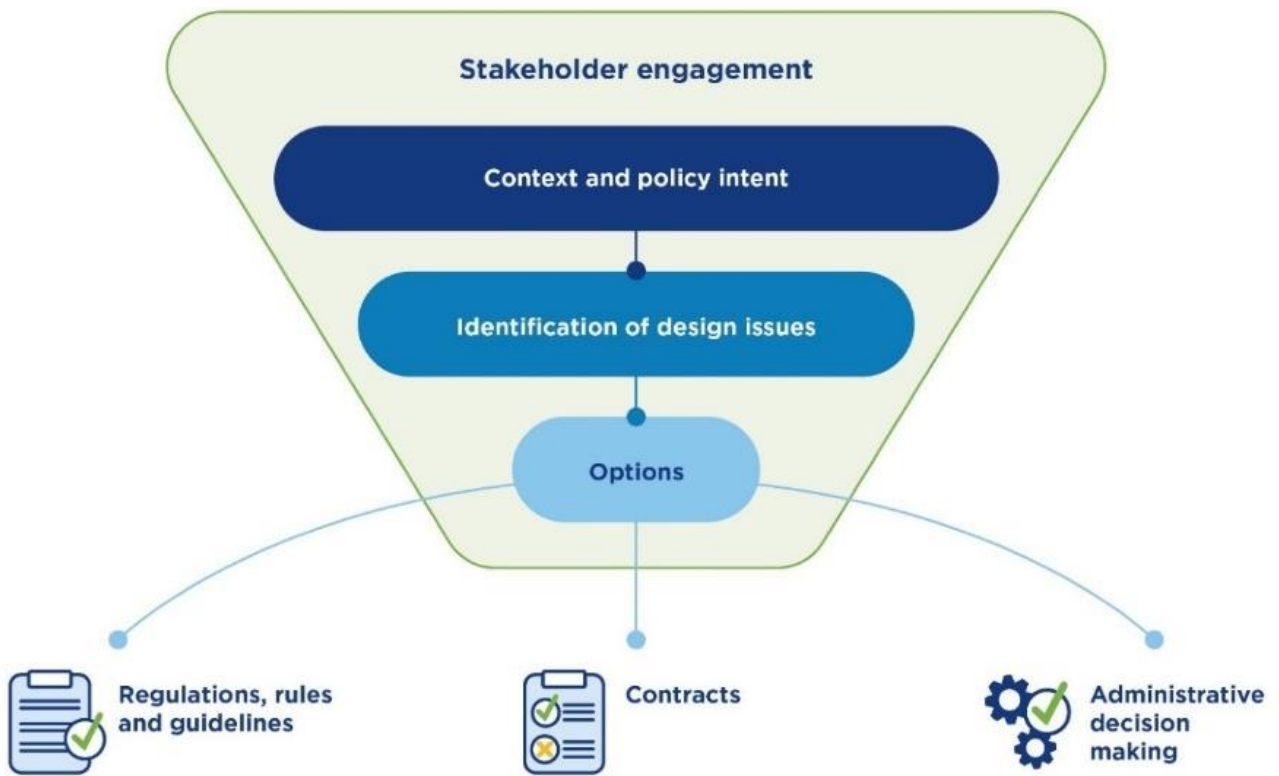
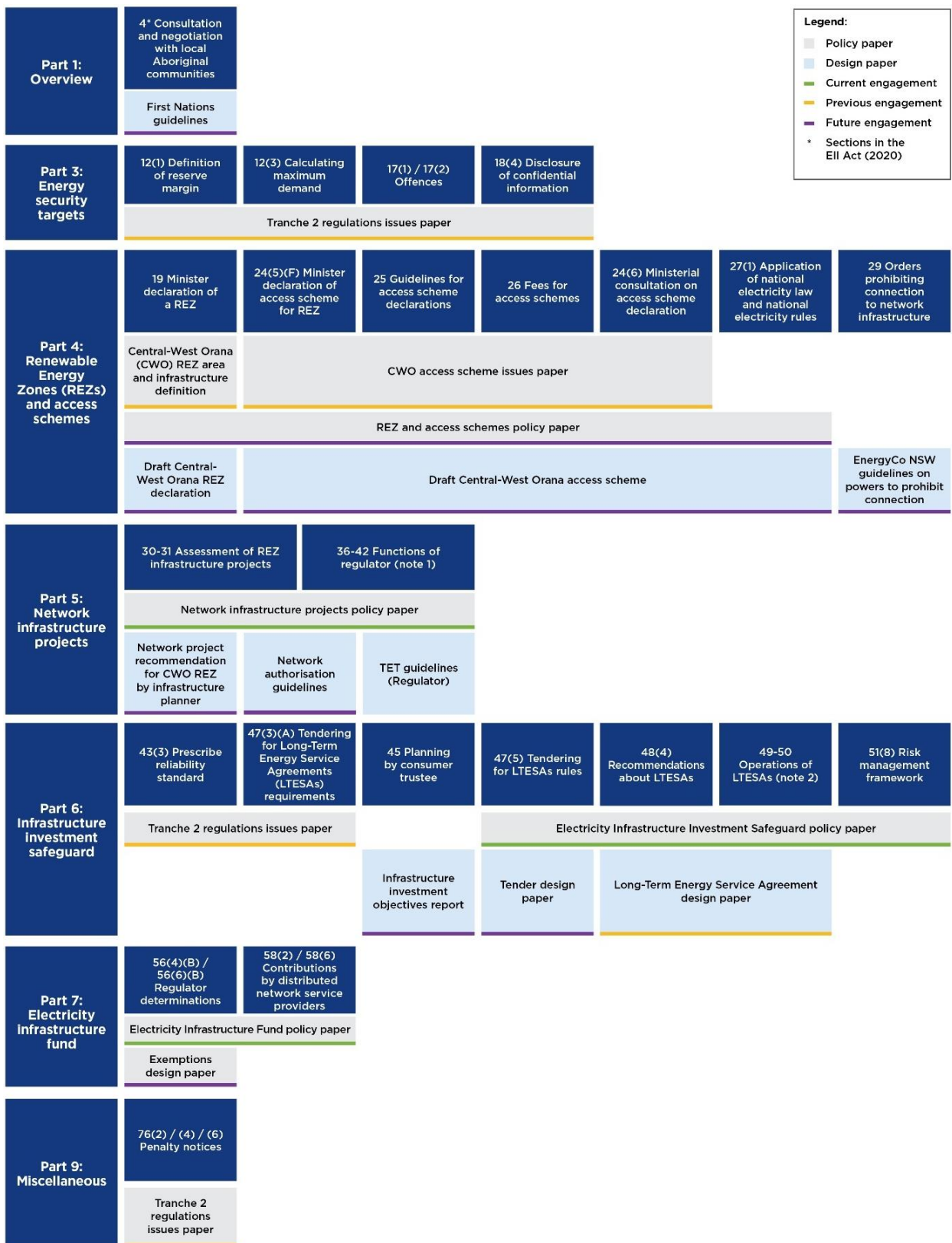


Figure 2 Summary of Roadmap policy and design consultation activities<sup>1</sup>



**Legend:**

- Policy paper
- Design paper
- Current engagement
- Previous engagement
- Future engagement

\* Sections in the EII Act (2020)

As at 23 September 2021.

<sup>1</sup> First Nations guidelines are subject to targeted stakeholder engagement and are outside the scope of this consultation.

## What is the Department currently consulting on?

The current consultation round seeks stakeholder feedback through policy papers on substantive policy issues that could call for regulations associated with parts of the EII Act. **Table 1** outlines paper focus areas for the engagement.

**Table 1 Current consultation round focus areas**

Policy paper	Focus area
<b>Part 5</b>	
Network Infrastructure Projects	<p>This paper sets out the framework for assessing, selecting and regulating network infrastructure projects in New South Wales. It will describe the functions of the Infrastructure Planner, Consumer Trustee and Regulator within this framework and identify processes and policy design issues. This paper seeks feedback on policy issues including:</p> <ul style="list-style-type: none"> <li>• classification of Renewable Energy Zone network infrastructure projects</li> <li>• network infrastructure project identification</li> <li>• funding and financing of preparatory activities and development works</li> <li>• network infrastructure projects authorisation</li> <li>• Transmission Efficiency Test and Regulator's determination on revenue allowance</li> <li>• remaking and adjusting the Regulator's determination.</li> </ul>
<b>Part 6</b>	
Electricity Infrastructure Safeguard	<p>This paper seeks feedback on the policy issues relating to the Electricity Infrastructure Safeguard, including:</p> <ul style="list-style-type: none"> <li>• consumer cost controls</li> <li>• Consumer Trustee governance</li> <li>• risk management framework</li> <li>• controls on the Infrastructure Investment Objectives Report</li> <li>• policy considerations for tenders and Long-Term Energy Service Agreements.</li> </ul>
<b>Part 7</b>	
Electricity Infrastructure Fund	<p>This paper seeks stakeholder feedback on aspects of the Electricity Infrastructure Fund, including:</p> <ul style="list-style-type: none"> <li>• measuring and apportioning costs</li> <li>• smoothing of cost recovery and hardship provisions</li> <li>• transparency of costs and benefits to consumers</li> <li>• exemptions</li> <li>• Fund administration.</li> </ul>

## How to find out more and make a submission

The Department places a high priority on consultation and feedback. Input from communities, industry, market participants and other interested stakeholders is vital as the Roadmap is implemented.

The feedback the Department receives on the papers through this round of consultation will not only guide a decision on the substantial policy and design issues but also the form in which these decisions will be actioned, including regulations, rules, guidelines and/or contracts.

If you wish to be kept informed on the Roadmap's implementation, and upcoming opportunities to provide feedback, you are encouraged to join the [Electricity Infrastructure Roadmap mailing list](#). Please also visit the [Roadmap's website](#).

### Online sessions

Consultation on the papers will be held throughout September and October 2021. The Department will host a series of interactive online sessions on the substantive policy and design issues in each paper. Stakeholders will have an opportunity at these sessions to ask further questions and seek clarification on issues within the papers.

Please check the [Electricity Infrastructure Roadmap](#) webpage for regular updates on consultation session timing.

### Make a submission

The Department will be inviting submissions from interested parties on the issues, options and questions set out in the papers.

**Preferred submission option:** Stakeholders can respond to questions in the papers by using the online forms on the [Electricity Infrastructure Investment Regulations](#) webpage.

**Alternative submission options:** Stakeholders may fill in and return a submission form (Word document) that is available on the [Electricity Infrastructure Investment Regulations](#) webpage. The Department also welcomes free form submissions, instead of, or in addition to, the submission form. Please email your submission form and/or free form submission to [Electricity.Roadmap@dpie.nsw.gov.au](mailto:Electricity.Roadmap@dpie.nsw.gov.au) with your name and the name of the policy or design paper you are commenting on in the subject line.

The Department will publish all submissions received during consultation on the Department website, where it is appropriate to do so. The Department will routinely redact personal details from submissions made by individuals to protect personal information.

**If you wish for all or part of your written submission to remain confidential (except to Department project staff and advisors, who are subject to confidentiality arrangements), please clearly state this in your submission. At a minimum the Department will publish the name of your organisation.**

If a submission author regards any content of their submission as revealing protectable corporate intellectual property, they should clearly note and define this in their submission. In the absence of an explicit declaration to the contrary, the Department will assume that information provided by respondents is not considered intellectual property of the respondent.