

Department of Climate Change, Energy, the Environment and Water

Network-to-Network Connection Guidelines

July 2026

Acknowledgement of Country



Department of Climate Change, Energy, the Environment and Water acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

Artist and designer Nikita Ridgeway from Aboriginal design agency – Boss Lady Creative Designs, created the People and Community symbol.

Network-to-Network Connection Guidelines

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Executive Summary

The energy system is undergoing an unprecedented transition as coal-fired generators retire and are replaced by renewables, storage, gas and enabling network infrastructure. The NSW Government introduced the *Electricity Infrastructure Roadmap* (the Roadmap), underpinned by the *Electricity Infrastructure Investment Act 2020 (NSW)* (EII Act), to ensure sufficient generation, storage and network infrastructure are constructed in time to maintain energy security and reliability in NSW.

Facilitating timely and efficient planning and delivery of the Roadmap, including network infrastructure, is critical to keep the lights on and keep costs down. Delays not only create risks to reliability, they also put upward pressure on wholesale energy costs and carbon emissions which is contrary to the long-term interests of consumers and the achievement of the emission reduction targets set out in the *Climate Change (Net Zero Future) Act 2023 (NSW)*.

The EII Act has introduced contestability in the NSW network infrastructure sector, and this is not fully contemplated in the framework created by the National Electricity Rules (NER). While there are several clauses of the NER which are used for the purpose of connecting two networks, the process does not contemplate the role of the NSW Infrastructure Planner in relation to planning for the delivery of new network infrastructure.

To address that gap, these Guidelines articulate how the Infrastructure Planner will work with Existing Network Operators and Connecting Network Operators to plan, negotiate and deliver the network to network (NTN) connections required for EII Act projects - being REZ Network Infrastructure Projects and Priority Network Infrastructure Projects. Effective collaboration will ensure that all parties, including those participating in procurement processes, have clarity about the intended approach to each project. This will enable bidders to price risk efficiently during the procurement process, helping keep costs down, and provide a means to keep projects on track – including during the delivery phase.

These Guidelines are issued by the Minister for Energy under s192C of the *Electricity Supply Act 1995 (NSW)*. They implement recommendations in the final report of the NSW Transmission Planning Review 2025¹ and have been developed with input from stakeholders to clarify the process that will be followed in planning, negotiating and delivering NTN Connections required for EII Act projects. Supported by licence conditions imposed under the *Electricity Supply Act*, the Guidelines create a framework that sits alongside and complements the NER, supported by minimal derogations.

The process includes:

¹ Available here: [NSW Transmission Planning Review 2025 | NSW Climate and Energy Action](#)

- Issuing a notification to enliven the application of the Guidelines with respect to a given EII Act project.
- Setting up a working group to oversee each NTN Connection Project.
- Collaboratively developing a Project-specific Schedule that sets out the timeframes for planning, negotiating and delivering the NTN Connection Project.
- Developing a more detailed Work Program setting out the activities that need to occur in order to achieve the milestones in the Project-specific Schedule.
- Implementing the Work Program and achieving the milestones in the Project-specific Schedule.
- Proactively managing disputes that arise and any concerns regarding compliance with the Guidelines and Project-specific Schedule.

Once finalised, each Project-specific Schedule will be issued by the Minister and become binding. The Minister may also, on the advice of the Infrastructure Planner, issue pro forma agreements from time to time. These will be used as the basis for negotiations between the Parties and will provide a more level playing field, as is appropriate to the connection of two networks (as distinct from connecting a generator or load to a network).

An indicative process to be followed under these Guidelines is set out in the table overleaf. The process may be adjusted to suit a given NTN Connection Project, and to reflect the point in time at which the Guidelines start to apply (via notification) with respect to a given project.

Network operators holding a licence under the *Electricity Supply Act 1995* (ES Act) are required to comply with these Guidelines as a condition of their licence. A person that is not licensed under the ES Act will be required to comply with these Guidelines via contractual arrangements with the Infrastructure Planner until such time as they become licensed. The Infrastructure Planner is also required to comply with these Guidelines.²

Timely compliance with these Guidelines will help ensure that projects are delivered in the timeframes needed to allow NSW to meet its power needs as coal fired plants retire. As the regulator of licensees under the ES Act, the Independent Pricing and Regulatory Tribunal will monitor compliance and, where appropriate, take – or recommend that the Minister take – enforcement action in response to contraventions by licensed network operators.

Contraventions by persons who are not yet licensed will be a matter for the Infrastructure Planner pursuant to contractual arrangements, while contraventions by the Infrastructure Planner will be a matter for the Minister.

² In exercising functions under the EII Act, an *Infrastructure Planner* is subject to the control or direction of the Minister (s63(8)). Energy Co is also subject to the control and direction of the Minister under s6(4) of the *Energy Utilities and Administration Act 1987*.

Process overview (indicative)	
1	NTN Connection Notification.**
2	Working group established.
3	Development phase Project-specific Schedule developed by working group and issued by Minister.
4	Work Program developed by working group and endorsed by executives.
5	Planning, development and design work progressed in line with the Work Program. Infrastructure Planner and Existing Network Operator commence negotiation of draft project-specific NTN Contractual Arrangements.
6	Infrastructure Planner undertakes selection process and selects Preferred Candidate, who then joins the working group and registers as an “intending participant” under the NER (if not already a registered participant).
7	Preferred Candidate joins negotiation of NTN Contractual Arrangements with Existing Network Operator, facilitated by the Infrastructure Planner via working group.
8	Infrastructure Planner appoints or Minister directs/authorises Preferred Candidate, who becomes Connecting Network Operator.
9	Delivery phase Project-specific Schedule is developed by the Parties and issued by the Minister.
10	Parties finalise the terms of the NTN Contractual Arrangements via the working group in accordance with these Guidelines.
11	Revenue proposal(s) submitted, and the AER makes revenue determination(s).
12	Execution of the NTN Contractual Arrangements (contractual close). Infrastructure Planner notifies AEMO.
13	Financial close.
14	Construction proceeds in accordance with NTN Contractual Arrangements.

** The Notification may be issued - and these Guidelines may start to apply - from the commencement of, or part way through, the above process.

Definitions

1 Definitions

1.1 In these Guidelines, capitalised terms have the meaning set out below.

AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator Limited
AER	Australian Energy Regulator
Applicable Standards	All relevant standards as agreed between the Parties, including: • System standards in NER Schedule 5.1a; • Network performance requirements to be provided or co-ordinated by Network Service Providers in NER Schedule 5.1; • Technical connection requirements for high voltage direct current (HVDC) networks in NER Schedule 5.3a (for HVDC networks only); • Australian Standards; and • to the extent specified in the NER, relevant international instruments.
Appointing Entity	The body which appoints the independent expert in accordance with clause 18 (being the Secretary of the Department).
Connecting Network Infrastructure	New Network Infrastructure, or an augmentation to existing Network Infrastructure, that forms part of an EII Act Project and for which new or augmented connection arrangements are sought.
Connecting Network Operator or CNO	A person who owns, controls or operates or proposes to own, control or operate Connecting Network Infrastructure, and who has been appointed, authorised or directed under the EII Act for that purpose.
Department	NSW Department of Climate Change, Energy, the Environment and Water
EII Act	<i>Electricity Infrastructure Investment Act 2020 (NSW)</i>
EII Act Project	A REZ Network Infrastructure Project or Priority Network Infrastructure Project.
EII Regulation	<i>Electricity Infrastructure Investment Regulation 2021 (NSW)</i>
EnergyCo	The Energy Corporation of New South Wales constituted by section 6 of the EUA Act.

ES Act	<i>Electricity Supply Act 1995 (NSW)</i>
ES Regulation	<i>Electricity Supply (General) Regulation 2014 (NSW)</i>
EUA Act	<i>Energy and Utilities Administration Act 1987 (NSW)</i>
Existing Network Infrastructure	Network Infrastructure to which a new or augmented EII Act Project seeks connection. This includes both existing infrastructure and new or proposed infrastructure which is to be built to support the connection (e.g. works to increase transfer capacity upstream of the connection).
Existing Network Operator or ENO	A person who owns, controls or operates or proposes to own, control or operate Existing Network Infrastructure.
Good Electricity Industry Practice	As defined in the NER.
Guidelines	These <i>Network-to-network Connection Guidelines</i> issued from time to time by the Minister under the ES Act.
Infrastructure Planner	A person authorised to exercise the functions of an infrastructure planner under the EII Act with respect to an EII Act Project.
Licence	A licence issued under the ES Act.
Minister	The Minister administering the ES Act or a delegate appointed by the Minister to exercise the Minister's functions relating to these Guidelines.
National Electricity Law	As defined in the ES Act.
National Electricity Rules or NER	As defined in the ES Act.
Network Infrastructure	As defined in the EII Act.
Network to Network Connection or NTN Connection	A connection between Connecting Network Infrastructure and Existing Network Infrastructure within the NSW region of the National Electricity Market.
NTN Connection Agreement	The connection agreement entered into, or to be entered into, between the Existing Network Operator and the Connecting Network Operator in relation to the NTN Connection Project in accordance with the Guidelines.
NTN Connection Arrangements	Without limitation, includes some or all of the following: • Technical (including performance) requirements; • connection point location;

	• roles and responsibilities for connection infrastructure – who will design, construct, own, operate and maintain; • assignment of risks and liability arising from the connection; • required augmentation of Existing Network Infrastructure; and • design of equipment, inspection and testing, commissioning, disconnection and reconnection, which, once negotiated and agreed, will be set out in NTN Contractual Arrangements.
NTN Connection Notification	A notification issued by the Infrastructure Planner under clause 9.1.
NTN Connection Project	A component or components of an EII Act Project, as specified in a notification issued under clause 9.1, which involves the connection of Connecting Network Infrastructure and Existing Network Infrastructure at one or more locations.
NTN Contractual Arrangements	The agreements or relevant parts of agreements to be entered into by the Parties to implement an NTN Connection Project, which may include some or all of the following depending on the specific NTN Connection Project: • the NTN Connection Agreement between the Existing Network Operator and Connecting Network Operator; • the asset relocation agreement between the Existing Network Operator and Connecting Network Operator; • the line crossing agreement or line interface agreement between the Existing Network Operator and Connecting Network Operator; • the construction interface agreement between the Existing Network Operator and Connecting Network Operator, to which the Infrastructure Planner may also be a party; • provisions of the project or delivery agreement between the Infrastructure Planner and the Connecting Network Operator to effect the NTN Connection(s); and • provisions of the project or delivery agreement between the Infrastructure Planner and the Existing Network Operator to effect the NTN Connection(s).
Parties	As applicable, having regard for the context, some or all of the Infrastructure Planner, Existing Network Operator, Preferred Candidate or Connecting Network Operator.
Preferred Candidate	The entity selected by EnergyCo as the preferred candidate to be the Connecting Network Operator, prior to its appointment, authorisation or direction under the EII Act.

Priority Network Infrastructure Project	As defined in the EII Act.
Project-specific Schedule or Schedule	A schedule setting out planning, procurement and delivery milestones for the NTN Connection Project, issued by the Minister and published on the Department's website.
Remote Control Equipment	As defined in the NER.
Remote Monitoring Equipment	As defined in the NER.
Renewable energy zone or REZ	As defined in the EII Act.
Representative	A person who is authorised to represent their organisation for the purposes of an NTN Connection Project including in the working group for the NTN Connection Project.
REZ Network Infrastructure Project	As defined in the EII Act.
Tribunal or IPART	Independent Pricing and Regulatory Tribunal
Work Program	The program of activities developed in accordance with clause 12 which is intended to assist the Parties to comply with the milestones set out in the Project-specific Schedule for a given NTN Connection Project.

Introduction

2 Purpose of these Guidelines

- 2.1 These Guidelines are issued by the Minister under s192C of the ES Act.
- 2.2 Their purpose is to facilitate the timely and efficient delivery of EII Act Projects which involve new or augmented network connections between Existing Network Infrastructure and Connecting Network Infrastructure.
- 2.3 The objective is to ensure that Connecting Network Infrastructure and Existing Network Infrastructure are connected in the timeframes required to maintain and improve the reliability, security, affordability and sustainability of the NSW electricity system.
- 2.4 These Guidelines seek to facilitate this by setting out a process and requirements for the relevant Parties to work together to plan, negotiate and deliver efficient NTN Connections that will provide an integrated and secure electricity system in the interests of NSW electricity consumers.

- 2.5 These Guidelines set out the requirements on:

- (a) Existing Network Operators to whom an NTN Connection Notification has been issued under clause 9;

Note: These Guidelines are given legal effect through licence conditions imposed on relevant network operators under the ES Act. The NTN Connection Notification is the means by which the obligations in these Guidelines are enlivened with respect to a particular EII Act Project. These Guidelines will not apply to projects for which relevant contractual arrangements which provide for connection have already been entered into.

- (b) Preferred Candidates who have been formally included in the NTN Connection process by the Infrastructure Planner under clause 15;

Note: Prior to a Preferred Candidate being licensed under the ES Act, the Preferred Candidate will be required to comply with these Guidelines through contractual arrangements with the Infrastructure Planner.

- (c) Connecting Network Operators who have been formally included in the NTN Connection process by the Infrastructure Planner under clause 16;

Note: Prior to a Connecting Network Operator being licensed under the ES Act, the Connecting Network Operator will be required to comply with these Guidelines through contractual arrangements with the Infrastructure Planner.

- (d) The Infrastructure Planner for specified EII Act Projects, in the context of undertaking its function to investigate, plan, co-ordinate and carry out the planning, design and construction of Network Infrastructure³.

³ EII Act s63 and EII Regulation cl44(a)(ii)

3 Interaction of these Guidelines

Interaction with national framework

- 3.1 The National Electricity Law and National Electricity Rules (NER) provide an existing framework for connecting new network assets to existing networks but do not contemplate the role of the Infrastructure Planner in planning, procuring and delivering projects under the EII Act. These Guidelines are intended to sit alongside the NER and provide clarity about how the Parties are to plan, negotiate and deliver NTN Connection Projects.
- 3.2 These Guidelines have been developed to minimise departures from the NER as far as possible and avoid creating a duplicate regulatory framework. To create a streamlined framework, it is expected that regulations to be made under s192B of the ES Act will disapply some NER provisions while others will be modified. (For network connections relating to projects to which these Guidelines do not apply, the usual NER processes will continue to apply in full.)
- 3.3 The regulations will provide that, for EII Act Projects where a notification is in effect under clause 9.1, negotiation of the NTN Connection Agreement is to be undertaken in accordance with these Guidelines rather than rule 5.3 of the NER. Dispute resolution will also be governed by these Guidelines.
- 3.4 Negotiations will take place in the context of the Working Group with support from the Infrastructure Planner. This will provide continuity, allowing preparatory activities and negotiations to commence between the Existing Network Operator and the Infrastructure Planner, to continue once a Preferred Candidate has been selected, and to conclude when the Connecting Network Operator is appointed and the NTN Connection Agreement is signed (along with other NTN Contractual Arrangements).
- 3.5 The Infrastructure Planner's involvement in the negotiation process is designed to enable the Infrastructure Planner to perform its functions in relation to EII Act Projects, and to help provide a level playing field and assistance with resolving issues as they arise.
- 3.6 The Infrastructure Planner also has an important coordinating role, with NTN Contractual Arrangements generally involving agreements between the Infrastructure Planner, Existing Network Operator and Connecting Network Operator (in addition to the NTN Connection Agreement between the two network operators).
- 3.7 In accordance with regulations to be made under s192B of the ES Act, the intention is that a NTN Connection Agreement, once finalised in accordance with these Guidelines, will be deemed to constitute a connection agreement for the purposes of Chapter 5 of the NER.
- 3.8 It is expected that the regulation to be made under s192B of the ES Act will provide that modified NER provisions are to prevail in the event of any inconsistency with other chapters of the NER. While the intention is to avoid any inconsistencies with

other chapters of the NER, this cannot be guaranteed given that the NER are amended from time to time. If any Party considers there is a potential inconsistency with the NER, the Party must raise this issue in the working group. All Parties will work collaboratively to seek to resolve any such concerns and document the approach agreed.

- 3.9 If an inconsistency cannot be resolved, the Infrastructure Planner may notify the Secretary of the Department who will consider whether amendments to the Guidelines or NER (via derogations in the ES Regulation) are required to resolve the inconsistency.

Interaction with contractual obligations

- 3.10 These Guidelines have been developed to facilitate and support contractual arrangements between the Infrastructure Planner, Connecting Network Operator and Existing Network Operator with regard to NTN Connections.
- 3.11 Milestone dates set out in the delivery phase Project-specific Schedule will inform milestones set out in the NTN Contractual Arrangements between the relevant Parties, and may be subject to adjustment in line with extension of time and force majeure mechanisms set out in contracts to which the Infrastructure Planner is a party.

4 Commencement and amendment

- 4.1 These Guidelines commence on 7 August 2026.
- 4.2 The Minister may at any time amend these Guidelines by reissuing them under the ES Act. The amendment will take effect on the date specified by the Minister when issuing the amended Guidelines, or in accordance with specified transitional arrangements set out in the amended Guidelines.
- 4.3 Before making any material amendments to these Guidelines, the Minister will undertake public consultation and provide 28 days for the making of submissions which the Minister will take into account before finalising the amendments.
- 4.4 The Department will review these Guidelines no later than five years after the date of first publication and at least every five years after that.

5 Project-specific Schedules and Pro forma Agreements

Project-specific Schedules

Project-specific Schedules are to set out clear, high-level milestones for progressing NTN Connections including, as appropriate, planning, procurement, negotiation and delivery. Rather than prescribing a one-size-fits-all approach in the Guidelines, the Project-specific Schedules will set out the specific milestones required to deliver NTN Connection(s) for each EII Act Project. Project-specific Schedules may relate to the development phase (planning activities, procurement, contract negotiation) or the delivery phase (construction, commissioning and energisation). Where possible, the milestones in the Schedule are to be negotiated and agreed by the Parties. Where the Parties cannot agree, the Schedule will be finalised by the Minister, having regard for the views of the Parties.

- 5.1 The Minister may, from time to time, issue a Project-specific Schedule which will be published on the Department's website. Parties who are required to comply with these Guidelines are also required, in accordance with these Guidelines, to comply with any applicable Project-specific Schedules, including taking all reasonable steps to comply with dates set out in any applicable Project-specific Schedules.
- 5.2 The Schedule will take effect on the date specified by the Minister.
- 5.3 The purpose of Project-specific Schedules is to set out planning, procurement and delivery milestones for each Party identified in the Schedule in order to deliver the NTN Connections required to facilitate EII Act Projects.
- 5.4 Each Schedule will set out key milestones, which may be activities or outputs, and the dates for achieving them in order to facilitate the timely completion of the NTN Connection(s) and the broader EII Act Project.
- 5.5 Each Schedule will, wherever possible, be developed collaboratively by the Parties and recommended to the Minister in accordance with clause 11.
- 5.6 Licensed network operators are required to comply with these Guidelines as a condition of their licence under the ES Act. Prior to a licence being granted, Preferred Candidates and Connecting Network Operators will be required to comply with these Guidelines and any applicable Project-specific Schedules via contractual arrangements with the Infrastructure Planner.

Pro forma Agreements

Pro forma agreements are to act as generic templates to provide the basis for negotiations between Parties for any NTN Connection Project to which these Guidelines apply. These pro forma agreements will serve a similar function to the legal information required to be published by a transmission network service provider under the NER clause 5.2A.5. They will provide transparency about what the NTN Contractual Arrangements are to comprise, and an

appropriately level playing field between Existing Network Operators and Connecting Network Operators.

- 5.7 The Minister may, from time to time, issue NTN Connection pro forma agreements to form the basis of negotiations between, as applicable, an Existing Network Operator, the Infrastructure Planner, a Preferred Candidate or a Connecting Network Operator. Such pro forma agreements will be published on the Department's website.
- 5.8 Pro forma agreements issued by the Minister will be developed on the advice of the Infrastructure Planner, in line with the principles of these Guidelines. They will be designed to provide an appropriately level playing field between Existing Network Operators and Preferred Candidates/Connecting Network Operators with a fair and reasonable allocation of risk and liability between the Parties. The final allocation of risk and liability for a given NTN Connection Project will be resolved through negotiation by the relevant Parties in accordance with these Guidelines.
- 5.9 The pro forma agreements issued by the Minister will be generic and not reflect the circumstances of specific NTN Connection Projects. Prior to the commencement of negotiations, the Infrastructure Planner may customise the pro forma agreements to reflect the circumstances of a specific NTN Connection Project. The Infrastructure Planner may consult with the Existing Network Operator in the course of customising the pro forma agreements. The Parties will work together to negotiate and finalise the agreements in accordance with clause 13.
- 5.10 Pro forma agreements may include the following:
- (a) the NTN Connection Agreement between the Existing Network Operator and Connecting Network Operator;
 - (b) the asset relocation agreement between the Existing Network Operator and Connecting Network Operator;
 - (c) the line crossing agreement or line interface agreement between the Existing Network Operator and Connecting Network Operator;
 - (d) the construction interface agreement between the Existing Network Operator and Connecting Network Operator, to which the Infrastructure Planner may also be a party;
 - (e) provisions of the project or delivery agreement between the Infrastructure Planner and the Connecting Network Operator to effect the NTN Connection; and
 - (f) provisions of the project or delivery agreement between the Infrastructure Planner and the Existing Network Operator to effect the NTN Connection.

Principles and overarching requirements

6 Principles governing the NTN Connection process

- 6.1 In exercising their responsibilities under these Guidelines, the Parties must act in accordance with the following principles:
- (a) The Parties recognise the critical role that timely and efficient planning and construction of Network Infrastructure plays in maintaining and improving system reliability, security, affordability and sustainability as the electricity system transitions, consistent with the objects of the ES Act and EII Act.
 - (b) The Parties commit to undertaking early, genuine and honest engagement and collaboration.
 - (c) Engagement on, and negotiation of, NTN Connections will be undertaken in good faith and recognising the importance of implementing efficient NTN Connections to protect the long-term interests of NSW electricity consumers.
 - (d) NTN Connection Arrangements are to be on fair and reasonable terms and will be consistent with the objective of ensuring the safe, secure and reliable operation of the integrated power system in accordance with the National Electricity Rules.
 - (e) NTN Connections should be at least consistent with Good Electricity Industry Practice and all Applicable Standards.
 - (f) The Parties will share relevant data and information between themselves and with AEMO in a timely manner, while ensuring the protection of confidential information.
 - (g) The Parties will take all reasonable steps to meet timelines in any Project-specific Schedule issued by the Minister with respect to a NTN Connection Project.
 - (h) The Parties will participate in prompt dispute resolution where they cannot agree.
 - (i) Subject to clauses 15.4 and 16.5, the Parties commit to upholding NTN Connection Arrangements already agreed under these Guidelines when a Preferred Candidate or Connecting Network Operator becomes subject to these Guidelines.
 - (j) Notwithstanding clause 6.1(g) and clause 17.1, the Parties commit to using best endeavours and working expeditiously to finalise NTN Contractual arrangements.

7 Provision and use of information

These provisions set out requirements for the timely sharing and management of data and information required to facilitate the planning, procurement and delivery of an NTN Connection Project.

- 7.1 Subject to clause 7.2, a Party must provide such technical information (even if confidential) regarding the Party's existing network and any planned augmentations as is reasonably required by another Party to facilitate the efficient and timely planning, negotiation and delivery of an NTN Connection Project to which these Guidelines apply.
- 7.2 Parties are not required to provide information which can reasonably be considered competitively sensitive, other than to the Infrastructure Planner, AEMO or the Independent Expert. In this clause, competitively sensitive information is information the disclosure of which could reasonably be considered to prejudice a competitive procurement process or a commercial negotiation other than the negotiation of the technical interface arrangements for a NTN Connection Project.
- 7.3 Data and information shared by Parties must be prepared, given and used in good faith and in accordance with the confidentiality obligations set out in 7.10.
- 7.4 Each Party must use best endeavours to ensure that information provided is accurate and up to date. If a Party becomes aware of any material change to any information provided to another Party, it must promptly notify the other Party in writing of the change.
- 7.5 If a Party becomes aware that any information provided to another Party is incomplete, inaccurate or out of date, it must promptly provide updated information.
- 7.6 The Infrastructure Planner is not obliged to provide Cabinet Information (as defined in Schedule 1, clause 2 to the *Government Information (Public Access) Act 2009*) or information that could reasonably be expected to compromise probity requirements relating to competitive processes.
- 7.7 Where a related body corporate of a Network Operator is participating in, or plans to participate in, a competitive process related to an NTN Connection Project to which these Guidelines apply, the Network Operator must ensure that its related body corporate has no access to information shared under these Guidelines. The Network Operator may be required by the Infrastructure Planner to enter a confidentiality and information barriers agreement with the Infrastructure Planner to this effect, in a form reasonably required by the Infrastructure Planner. Compliance with this agreement will be a condition of the related body corporate's participation in the competitive process
- 7.8 A Party must only use information received in accordance with these Guidelines for the purposes of the planning, negotiation and delivery of the NTN Connection Project in relation to which it is provided.

- 7.9 A Party may charge a fee for providing information in accordance with clause 7.1, the amount of which must not be more than necessary to cover the reasonable cost of work required to prepare that information. These costs may not also be recovered from elsewhere.
- 7.10 The following obligations apply in relation to confidential information:
- (a) Each Party must use all reasonable endeavours to keep confidential any confidential information that comes into the possession or control of the Party or of which the Party becomes aware.
 - (b) A Party:
 - i. must not disclose confidential information to any person except as permitted by these Guidelines and the NER;
 - ii. must only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by these Guidelines; and
 - iii. must not permit unauthorised persons to have access to confidential information.
 - (c) Each Party must use all reasonable endeavours
 - i. to prevent unauthorised access to confidential information which is in the possession or control of that Party; and
 - ii. to ensure that any person to whom it discloses confidential information observes the provisions of these Guidelines in relation to that information.
- 7.11 These Guidelines do not prevent:
- (a) **(public domain)**: the disclosure, use or reproduction of information if the relevant information is at the time generally and publicly available other than as a result of breach of confidence by the Party who wishes to disclose, use or reproduce the information or any person to whom the Party has disclosed the information;
 - (b) **(employees and advisers)**: the disclosure of the confidential information by a Party or the Party's disclosees to:
 - i. an employee or officer of the Party or, subject to clause 7.7, a related body corporate of the Party; or
 - ii. a legal or other professional adviser, auditor or other contractor or consultant of the Partywhich require the information for the purposes of these Guidelines, the NTN Connection Project or advising the Party or the Party's disclosee in relation thereto;
 - (c) **(consent)**: the disclosure, use or reproduction of the confidential information with the consent of the person or persons who provided the relevant information under these Guidelines;
 - (d) **(law)**: the disclosure, use or reproduction of the confidential information to the extent required by law or by a lawful requirement of:

- i. any government or governmental body, authority or agency having jurisdiction over a Party or its related bodies corporate; or
 - ii. any stock exchange having jurisdiction over a Party or its related bodies corporate;
- (e) **(disputes)**: the disclosure, use or reproduction of the confidential information if required in connection with legal proceedings, arbitration, expert determination or other dispute resolution mechanism relating to these Guidelines, or for the purpose of advising a person in relation thereto;
 - (f) **(trivial)**: the disclosure, use or reproduction of confidential information which is trivial in nature;
 - (g) **(safety)**: the disclosure of confidential information if required to protect the safety of personnel or equipment;
 - (h) **(potential investment)**: the disclosure, use or reproduction of the confidential information by or on behalf of a Party to the extent reasonably required in connection with the Party's financing arrangements, investment in that Party or a disposal of that Party's assets;
 - (i) **(regulator)**: the disclosure of the confidential information to IPART, the AER, the AEMC or AEMO or any other regulatory authority having jurisdiction over a Party, pursuant to these Guidelines or otherwise;
 - (j) **(reports)**: the disclosure, use or reproduction of confidential information of an historical nature in connection with the preparation and giving of reports under the NER; and
 - (k) **(aggregate sum)**: the disclosure, use or reproduction of the confidential information as an unidentifiable component of an aggregate sum.

7.12 **Conditions:** In the case of a disclosure under clause 7.11(b) or (h), prior to making the disclosure the Party that wishes to make the disclosure must inform the proposed recipient of the confidentiality of the information and must take appropriate precautions to ensure that the proposed recipient keeps the information confidential in accordance with the provisions of these Guidelines and does not use the information for any purpose other than that permitted under clause 7.10.

7.13 If a Party is required to disclose confidential information then, to the extent that it is legally able to do so, that Party must give notice as soon as reasonably practicable to the other Party (including details of the confidential information to be disclosed and the third party to whom it is to be disclosed).

8 Requirement to agree in writing

8.1 Any decisions regarding NTN Connections agreed between the parties are to be documented in writing. This includes but is not limited to decisions on matters agreed under clause 12.3, technical design options and analysis, selection of preferred options, allocation of responsibilities and risks, and terms for the NTN Contractual Arrangements.

Initiating an NTN Connection process

In undertaking its functions under the EII Act, and where an EII Act Project involves connecting new or augmented Network Infrastructure and Existing Network Infrastructure, the Infrastructure Planner will engage with the relevant Existing Network Operator to investigate and plan NTN Connection options. Issuing an NTN Connection Notification enlivens the application of these Guidelines with respect to a given EII Act Project. An NTN Connection Notification may be issued at the commencement of planning for, or part way through, an existing EII Act Project (but will not be issued with respect to a project for which connection related contractual arrangements have already been entered into).

9 NTN Connection Notification

- 9.1 If the Infrastructure Planner elects to enliven the application of these Guidelines with respect to a specified EII Act Project, the Infrastructure Planner must issue an NTN Connection Notification in writing to each relevant Party.

Note: Before issuing a NTN Connection Notification to an Existing Network Operator, the Infrastructure Planner should ensure there is an existing pathway for cost recovery arrangements, including cost recovery pathways under the EII Act or NER.

- 9.2 An NTN Connection Notification may be issued at the beginning of the planning phase or part way through an existing EII Act Project.

Note: depending on when the NTN Connection Notification is issued, it may identify the Existing Network Operator only or, if a competitive selection process has occurred, it may also identify the Preferred Candidate or Connecting Network Operator. For non-contestable EII Act Projects, the Existing Network Operator and Connecting Network Operator may be identified at the same time.

- 9.3 Subject to clause 9.4, a notification will not be issued with respect to an EII Act Project for which relevant contractual arrangements which provide for connection have already been entered into.
- 9.4 Where an augmentation of an existing NTN Connection is proposed, the Infrastructure Planner may issue a notification under clause 9.1 but is not obliged to do so. Before issuing a notification with respect to an augmentation project, the Infrastructure Planner must consult with the relevant network operators as to the adequacy of existing arrangements for progressing the augmentation project.
- 9.5 The NTN Connection Notification may, as appropriate, identify matters such as the following:
- (a) the nature and scale of the Connecting Network Infrastructure and Existing Network Infrastructure which are proposed to be connected;

- (b) to the extent known, the proposed nature, location, capacity, asset, ownership and operational boundaries of the proposed interface(s), and proposed contractual arrangements between the Connecting Network Infrastructure and the Existing Network Infrastructure or, if more than one, the NTN Connection options under consideration;
 - (c) to the extent known, the nature and indicative timing of key milestones to be met in order to deliver the project;
 - (d) the nature of the procurement process and any adjustments required to the high-level process set out in these Guidelines;
 - (e) a nominated lead contact for the Infrastructure Planner and one or more Infrastructure Planner Representatives to participate in a working group for the NTN Connection Project;
 - (f) where a notification is issued part way through an EII Act Project, or where the notification is issued with respect to an augmentation project, the notification may set out which elements of these Guidelines, and which pro forma agreements, are to apply. (Contract negotiations may be well advanced and pro forma agreements may not be useful in every case.)
- 9.6 A Party to whom a notification is given must respond in writing to the Infrastructure Planner within 10 business days of receipt of the notification, identifying:
- (a) a key contact for the Party and one or more Representatives to participate in a working group for the NTN Connection Project; and
 - (b) whether it or any related body corporate anticipates that it may participate in any competitive process to select a Connecting Network Operator for the project.
- 9.7 If the Infrastructure Planner decides to suspend or terminate a NTN Connection Project, it will withdraw the notification issued under 9.1 by written notification to each relevant Party.
- 9.8 Once an NTN Connection Project has been delivered (meaning all connection points have been energised and commissioned), the Infrastructure Planner must withdraw the notification by advising each relevant Party in writing that the notification issued under clause 9.1 is no longer in effect and that the Party's obligations under these Guidelines are at an end. For the avoidance of doubt, the Party's ongoing contractual obligations, together with applicable regulatory obligations under the NER, will continue to apply.

10 NTN Connection working group

- 10.1 The Infrastructure Planner will establish an NTN Connection working group, to be chaired by a Representative of the Infrastructure Planner, for each project to which these Guidelines apply. An existing working group or forum that relates to a given project can be used to satisfy the requirement in this clause.

- 10.2 The working group may include one or more, but no more than three, Representatives from each of:
- (a) the Infrastructure Planner;
 - (b) the Existing Network Operator;
 - (c) the Preferred Candidate;
 - (d) the Connecting Network Operator; and
 - (e) any other third party that all Parties agree should be invited to join the working group.
- 10.3 With the agreement of the Parties, additional subject matter experts may attend working group meetings from time to time to assist with technical, commercial or legal discussions.
- 10.4 To help ensure that NTN Connection Arrangements are consistent with the secure and reliable operation of the power system, the Infrastructure Planner will confer with AEMO and may invite a representative of AEMO to attend Working Group meetings from time to time, as appropriate. The representative may provide input and advice to the Working Group regarding matters including the following:
- (a) technical matters related to interface options;
 - (b) required system studies;
 - (c) timeframes for required technical analysis;
 - (d) modelling methodologies, inputs, assumptions and scenarios;
 - (e) compliance with Applicable Standards;
 - (f) system operation (post energisation)
 - (g) voltage control strategy; and
 - (h) operational coordination during emergencies.
- 10.5 The Infrastructure Planner must ensure that:
- (a) AEMO is present for any discussions regarding voltage control strategy and operational coordination during emergencies, and
 - (b) AEMO approves the arrangements agreed by the Parties in relation to these matters, including any amendments made to the arrangements before NTN Contractual Arrangements are finalised.
- 10.6 The Infrastructure Planner may require members of the working group to complete non-disclosure agreements. Working group members must complete such agreements as soon as possible.
- 10.7 The working group will meet fortnightly, or as otherwise agreed from time to time by the working group. The first working group meeting will be held within 10 business days of the response being provided to the Infrastructure Planner under clause 9.6.

- 10.8 The function of the working group will be to develop a draft Project-specific Schedule or Schedules under clause 11, develop a Work Program under clause 12, and oversee implementation of the Work Program in accordance with the milestones in the Project-specific Schedule or Schedules.
- 10.9 The working group will also facilitate the negotiation of the NTN Connection Arrangements between the Parties and support project delivery, providing a tripartite forum for solving issues that arise.

Project-specific Schedule and Work Program

11 Developing a Project-specific Schedule

In accordance with clause 5.1, the Minister may from time-to-time issue a Project-specific Schedule which will be published on the Department's website, establishing a clear timeline for planning and delivering a specific NTN Connection Project.

The Parties will work together to develop the timeline for each NTN Connection Project, which will be recommended to the Minister for inclusion in the Project-specific Schedule. Separate Schedules may be developed for the development phase of a project, and for the delivery phase. Templates for each type of Schedule are appended for illustrative purposes.

- 11.1 For each EII Act Project for which the Infrastructure Planner has issued an NTN Connection Notification in accordance with clause 9.1 of these Guidelines, the Parties will work collaboratively to develop one or more Project-specific Schedules and the Infrastructure Planner will make a recommendation to the Minister to issue a Project-specific Schedule.
- 11.2 A Project-specific Schedule is to set out the following information:
 - (a) The project to which it relates;
 - (b) The Parties to whom the Schedule applies;
 - (c) Key milestones including, without limitation, planning, procurement, negotiation, construction, commissioning and energisation, and the dates for achieving them in order to facilitate the timely completion of the NTN Connection(s) and the broader EII Act Project;
 - (d) Any other matters the Minister identifies as relevant.

Note: An NTN Connection Notification may be issued at the beginning of the project planning phase or part way through an existing project. The nature of the milestones included in Project-specific Schedules will reflect the project stage at which the notification is issued.

- 11.3 Separate Project-specific Schedules may be prepared for the development phase of a project and for the delivery phase.

Development phase Project-specific Schedule

- 11.4 The Parties must use best endeavours to negotiate and agree a development phase Project-specific Schedule within 30 Business Days of the first working group meeting. If, despite using best endeavours, additional time is required to finalise the Project-specific Schedule, the Infrastructure Planner may extend the time by no more than 20 additional Business Days.

Note: The development phase Project-specific Schedule is effectively a “plan to plan” and hence 30 business days should be a sufficient period in which to develop it. The detailed planning process will be set out in the Work Program as described in clause 12.

- 11.5 The development phase Project-specific Schedule may include milestones relating to:
- (a) preparing the Work Program;
 - (b) undertaking analysis (e.g. analysis of options, identification of preferred option);
 - (c) procurement (e.g. preparation of technical specifications and draft NTN Contractual Arrangements for inclusion in documents to support selection process);
 - (d) initial negotiation of the NTN Contractual Arrangements by the Preferred Candidate (once identified following the selection process) and Existing Network Operator; and
 - (e) preparation of the delivery phase Project-specific Schedule.

Delivery phase Project-specific Schedule

- 11.6 A delivery phase Project-specific Schedule is to be negotiated and agreed in accordance with milestones set out in the development phase Project-specific Schedule. (This will typically occur once the Connecting Network Operator has been appointed, authorised or directed under the EII Act.)
- 11.7 The delivery phase Project-specific Schedule may include milestones relating to:
- (a) finalising the NTN Contractual Arrangements between the Connecting Network Operator and Existing Network Operator;
 - (b) construction;
 - (c) commissioning; and
 - (d) energisation,

and milestones and dates may differ for each of the relevant Parties.

Settling the terms of Project-specific Schedules

- 11.8 Milestone dates in a Project-specific Schedule will be set with a view to providing the Parties a reasonable period (including contingencies) in which to carry out their obligations but mindful of the criticality of delivering NTN Connection Projects in time to maintain energy reliability and security in NSW as coal fired power stations close.
- 11.9 Where the Parties have not been able to reach agreement on the contents of a Project-specific Schedule, including through direct discussion under clause 18.3, the Infrastructure Planner will provide relevant Parties with a copy of the Schedule it proposes to recommend to the Minister and invite the Parties to make a submission, within 10 business days, outlining their concerns with the proposed Schedule. Submissions should be provided to the Infrastructure Planner and any other member of the working group.

- 11.10 If, having considered any submissions made, the Parties are still not able to reach agreement on the Project-specific Schedule, the Infrastructure Planner will provide its recommended Schedule to the Minister, along with an outline of the Parties' concerns and why the Schedule has not been adjusted to accommodate them.
- 11.11 The Minister must consider the views expressed by the Parties, as well as the public interest and the objects of the Act, prior to issuing the Schedule (or amending and reissuing the Schedule in accordance with clause 11.16).

Relationship between Project-specific Schedule and NTN Contractual Arrangements

- 11.12 Milestone dates included in a delivery phase Project-specific Schedule will inform the dates to be set out in the NTN Contractual Arrangements between the relevant Parties. Milestone dates set out in the initial NTN Contractual Arrangements may be earlier than but not later than the dates set out in the delivery phase Project-specific Schedule.

Note: the intention is that the delivery phase PSS sets the date by which projects are to be completed. The Parties then negotiate the terms of the NTN Contractual Arrangements to achieve this timeframe. In this way, the Minister – via the PSS – can help ensure that critical projects are delivered before coal fired generators exit the market.

- 11.13 Where milestones in a delivery phase Project-specific Schedule correspond with milestones set out in NTN Contractual Arrangements to which the Infrastructure Planner is a party, the milestone dates set out in the delivery phase Project-specific Schedule may be adjusted in accordance with provisions set out in those contractual arrangements (including extension of time mechanisms and force majeure provisions), without the need for Ministerial approval.

Note: this is consistent with the approach adopted in Ministerial directions issued under the EII Act. In those directions, milestone dates are expressed as being subject to adjustment in line with contractual mechanisms. This acknowledges that complex projects may experience delays, which must be managed in accordance with the contract.

- 11.14 Where a contractual extension of time (under a contract to which the Infrastructure Planner is a party) results in the need for the Project-specific Schedule date to be revised, the Infrastructure Planner will arrange for an updated Project-specific Schedule to be published on the Department's website and will notify each Party of the updated Schedule.

- 11.15 In the event that:

- (a) an unforeseen issue arises (not contemplated by contractual extension of time or force majeure mechanisms in the NTN Contractual Arrangements to which the Infrastructure Planner is a party) and a Party fails to meet milestones set out in the Project-specific Schedule, or
- (b) the Parties propose to vary a previously agreed position (for example because a beneficial innovation is proposed by a Preferred Candidate or Connecting Network Operator) and this has implications for milestones in the Project-specific Schedule,

any Party may propose an amendment to the Project-specific Schedule. The Party proposing the amendment must discuss the proposed amendment with other members of the working group and, where possible, reach agreement on the proposed amendment. The Infrastructure Planner may then submit the agreed amendment to the Minister for consideration.

- 11.16 In determining whether to amend the Project-specific Schedule, the Minister must consider whether the amendment will impact energy reliability, security and net costs to electricity consumers. If the proposed amendment will adversely impact such matters, the Minister may only amend the Project-specific Schedule after all reasonably available options to keep to the original timetable have been exhausted. A revised Project-specific Schedule does not excuse any noncompliance by a Party with the previous iteration of the Schedule.

12 Developing a Work Program

The Project-specific Schedules are intended to capture key high-level milestones for planning, procuring, negotiating and delivering an NTN Connection Project, but not the granular activities required to reach each of these milestones. A more detailed Work Program will sit under the development phase Project-specific Schedule to lay out the specific activities to be undertaken by each Party in order to meet the timeline in the development phase Project-specific Schedule. During the delivery phase, these more granular activities will be undertaken in line with relevant NTN Contractual Arrangements and as such no work program is required to support the delivery phase Project-specific Schedule.

- 12.1 Following publication of the development phase Project-specific Schedule, the Parties must prepare a Work Program which aligns with and supports completion of the milestones set out in the Schedule. The aim of the Work Program is to facilitate timely decisions regarding the technical and operational integration of, and preparation of commercial arrangements relating to the connection of, the Existing Network Infrastructure and Connecting Network Infrastructure.
- 12.2 The Work Program must include activities, allocation of responsibility for undertaking the activities, and a timeline for completing the activities.
- 12.3 The scope of these activities may include, but is not limited to:
- (a) Agreeing on modelling methodologies, inputs, assumptions and scenarios, and data requirements.
 - (b) Agreeing on a schedule of reasonable costs for the preparation of data, modelling etc.
 - (c) Agreeing on the relevant technical standards and requirements with which the NTN Connection must comply, including those in NER Schedules 5.1, 5.1a and 5.3a (for HVDC links only), as amended from time to time.

- (d) Identifying options for the technical interface of the NTN Connection, such as the number, nature and location of interface points, equipment requirements, metering arrangements, asset ownership and operation, and required augmentations to Existing Network Infrastructure;
 - (e) Technical assessment of NTN Connection options and identification of the preferred option, including assessment of thermal performance of the Connecting Network Infrastructure and Existing Network Infrastructure, voltage management requirements, system strength requirements, harmonics.
 - (f) Any other matters required to progress NTN Connection technical design;
 - (g) Negotiation and agreement of the NTN Contractual Arrangements;
 - (h) Planning and delivering the construction, commissioning and energisation of the NTN Connection.
- 12.4 Subject to clause 7.2 and 7.6, the Parties must, to the extent that they hold technical information necessary to develop or implement the Work Program, provide that information (even if confidential) on request to the other Party in a timely manner.
- 12.5 In implementing the Work Program, the Existing Network Operator will assess and communicate to the Infrastructure Planner any known or potential issues of relevance to the NTN Connection including, without limitation, interactions between:
- (a) any emergency frequency control schemes, or emergency controls in place on its Existing Network Infrastructure;
 - (b) protection systems or control systems of plant connected to its Existing Network Infrastructure, and
 - (c) any other system security measures or mechanisms on the Existing Network Infrastructure which may impact or inform the activities in the Work Program required to deliver the NTN Connection Project.
- 12.6 The Work Program is to be agreed in writing by the managing executives of the Parties.
- 12.7 The Work Program is to be finalised by the date specified in the Project-specific Schedule.
- 12.8 The Parties are to use their reasonable endeavours to implement the Work Program in accordance with the dates set out in the work program.
- 12.9 The Work Program can be amended from time to time by agreement of the Parties, so long as the revisions do not alter the ability of the Parties to comply with the Project-specific Schedule. Any proposal to amend the Work Program should be discussed and agreed by the working group. Where the Parties cannot agree, the matter can be escalated for direct discussion under clause 18.3. Issues relating to the Work Program are to be resolved via direct discussion if needed and are not to proceed to dispute resolution.

Note: The intention is that, while the Parties have some flexibility regarding when the Work Program is implemented, this should not delay achievement of the milestones set out in the

Project-specific Schedule. As set out in clause 11.16, the Minister can amend and reissue the Project-specific Schedule only in certain limited circumstances.

NTN Contractual Arrangements

13 Negotiating agreements

- 13.1 The Parties will negotiate NTN Contractual Arrangements on the basis of such of the pro forma agreements issued by the Minister as are relevant to a given NTN Connection Project.
- 13.2 Negotiations will be undertaken by the Parties via the working group, or other similar forum, with the Infrastructure Planner providing support to facilitate a timely, efficient and fair process.

Note: Negotiations will typically involve legal teams in addition to the usual members of the working group. Negotiations may occur in a forum other than the working group so long as the Infrastructure Planner has the right to be present.

- 13.3 Consistent with clause 6.1(j), the Parties will use best endeavours and work expeditiously to finalise NTN Contractual Arrangements in accordance with the requirements of these Guidelines, applicable Project-specific Schedules, and the terms of any applicable authorisation, appointment or direction made with respect to an NTN Connection Project under the EII Act. Negotiations are to be conducted in good faith and in accordance with the principles in clause 6.
- 13.4 The Parties must include in the NTN Contractual Arrangements provision for payment of the reasonable costs associated with Remote Control Equipment and Remote Monitoring Equipment as required by AEMO.
- 13.5 The terms of the NTN Contractual Arrangements must be fair and reasonable between the network operators.
- 13.6 The NTN Contractual Arrangements must not include unfair terms. Unfair terms are terms which, as between the network operators:
 - (a) cause a significant imbalance in the network operators' rights and obligations arising under the NTN Contractual Arrangements;
 - (b) are not reasonably necessary to protect the legitimate interests under the NTN Contractual Arrangements of the network operator that would be advantaged by the terms, and
 - (c) if they were to be enforced, would cause detriment (financial or otherwise) to the network operator that would be disadvantaged by the terms.
- 13.7 Without limiting clause 13.6, the following are examples of terms that may be considered unfair as between the network operators:
 - (a) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to avoid or limit performance of the NTN Contractual Arrangements;

- (b) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to disconnect or constrain the NTN Connection;
- (c) terms that permit, or have the effect of permitting, one network operator unilaterally to disconnect or constrain the NTN Connection, other than as required by law (including the National Electricity Rules) or to mitigate adverse impacts;
- (d) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to terminate the NTN Contractual Arrangements;
- (e) terms that permit, or have the effect of permitting, one network operator unilaterally to terminate the NTN Contractual Arrangements, other than for reasonable cause (such as a material breach that is not remedied within a reasonable time, or insolvency or similar);
- (f) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to vary the terms of the NTN Contractual Arrangements;
- (g) terms that permit, or have the effect of permitting, one network operator unilaterally to vary the terms of the NTN Contractual Arrangements, other than to enable the network operator to comply with law (including the National Electricity Rules);
- (h) terms that permit, or have the effect of permitting, one network operator unilaterally to vary the characteristics of or requirements for the goods or services to be supplied under the NTN Contractual Arrangements, other than to enable the network operator to comply with law (including the National Electricity Rules);
- (i) terms that permit, or have the effect of permitting, one network operator unilaterally to determine whether the NTN Contractual Arrangements have been breached by the other network operator, or whether the network operator is entitled to exercise a right under the NTN Contractual Arrangements;
- (j) terms that permit, or have the effect of permitting, one network operator unilaterally to determine the acceptability of works, assets or documents provided by the other network operator, other than on objective criteria,
- (k) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to inspect or test, or require the inspection or testing of, the other network operator's works or assets;
- (l) terms that permit, or have the effect of permitting, one network operator to require the other network operator to provide credit support, where the other network operator does not have a similar right to require that network operator to provide credit support in similar circumstances;
- (m) terms that permit, or have the effect of permitting, one network operator to require the other network operator to provide credit support, unless the credit support is reasonably justified considering:
 - i. the amounts expected to be payable to that network operator;

- ii. the credit worthiness of the other network operator; and
- iii. the cost to the other network operator of providing the credit support;
- (n) terms that limit, or have the effect of limiting, one network operator's vicarious liability for its agents in relation to the NTN Contractual Arrangements;
- (o) terms that impose, or have the effect of imposing, an aggregate cap on the liability of one network operator to the other network operator under or in connection with the NTN Contractual Arrangements that is materially lower than for the other network operator;
- (p) terms that exclude, or have the effect of excluding, liability of one network operator to the other network operator under or in connection with the NTN Contractual Arrangements that is not excluded for the other network operator;
- (q) terms that permit, or have the effect of permitting, one network operator (but not the other network operator) to recover certain types of loss under the NTN Contractual Arrangements;
- (r) terms that penalise, or have the effect of penalising, one network operator (but not the other network operator) for a breach or termination of the NTN Contractual Arrangements; and
- (s) terms that impose, or have the effect of imposing, the evidential burden on one network operator when claiming or in proceedings relating to the NTN Contractual Arrangements against the other network operator;

13.8 If a Party proposes unfair terms, or the Parties are otherwise unable to agree fair terms in relation to an issue, the Infrastructure Planner may propose alternative terms.

13.9 If:

- (a) the Parties are unable to agree the NTN Contractual Arrangements;
- (b) a Party considers that another Party is not complying with the obligation under these Guidelines to negotiate in good faith;
- (c) a Party considers that another Party is not offering NTN Connection on fair and reasonable terms as required by these Guidelines; or
- (d) a Party considers that another Party is requiring unfair terms in breach of these Guidelines,

any Party, including - for the avoidance of doubt - the Infrastructure Planner, may refer the matter for direct discussion under clause 18.3 or dispute resolution under clause 18.10.

Roles and responsibilities

14 Infrastructure Planner and Existing Network Operator

- 14.1 Without limitation, the Infrastructure Planner may engage directly with an Existing Network Operator for the purposes of facilitating an NTN Connection Project ahead of a Preferred Candidate being selected or Connecting Network Operator being appointed, directed or authorised with regard to a specified EII Act Project.
- 14.2 An Existing Network Operator must engage with the Infrastructure Planner as if the Infrastructure Planner were a Network Operator undertaking joint planning with the Existing Network Operator.
- 14.3 Once a Preferred Candidate has been selected or a Connecting Network Operator has been appointed, directed or authorised, the Infrastructure Planner will have a supervisory role, helping the Connecting Network Operator and Existing Network Operator to finalise the NTN Contractual Arrangements.
- 14.4 Once the NTN Contractual Arrangements have been signed by the Parties, the Existing Network Operator and Connecting Network Operator will notify AEMO within 20 business days of execution of the NTN Connection Agreement, and will continue to work with the other Parties to deliver the NTN Connection Project in a timely and efficient manner.

15 Preferred Candidate

- 15.1 Once selected by the Infrastructure Planner through a selection process, the Preferred Candidate will join the working group and comply with these Guidelines.
- 15.2 The Parties (including, for the avoidance of doubt, the Preferred Candidate) will continue to negotiate NTN Connection Arrangements in accordance with the development phase Project-specific Schedule.
- 15.3 The Existing Network Operator will engage with the Preferred Candidate in accordance with this Guideline.
- 15.4 A Preferred Candidate must adopt all positions and decisions previously agreed between the Existing Network Operator and the Infrastructure Planner unless a variation is necessary in light of changed circumstances (that could not have been reasonably foreseen), or where a proposed variation would deliver benefits. Any proposal to amend a previously agreed position must be agreed in writing by the Parties.

16 Connecting Network Operator

- 16.1 Once it has been appointed, authorised or directed, a Connecting Network Operator will participate in the working group and continue the negotiation of NTN Connection Arrangements.
- 16.2 A Connecting Network Operator will replace any previously introduced Preferred Candidate in the process.
- 16.3 If the Infrastructure Planner introduces a Connecting Network Operator to this process who is not yet licensed under the *ES Act*, the Existing Network Operator will nonetheless engage with the Connecting Network Operator in accordance with this Guideline.
- 16.4 Until such time as it is licensed under the *ES Act*, the Connecting Network Operator will be required to comply with these Guidelines in accordance with contractual arrangements with the Infrastructure Planner.
- 16.5 A Connecting Network Operator must adopt all positions and decisions previously agreed between the Existing Network Operator, the Infrastructure Planner and the Preferred Candidate unless a variation is necessary in light of changed circumstances (that could not have been reasonably foreseen), or where a proposed variation would deliver benefits. Any proposal to amend a previously agreed position must be agreed in writing by the Parties.
- 16.6 If a proposed change to previously agreed positions would delay the achievement of milestones set out in the Project-specific Schedule, it may not be adopted unless the Minister approves a corresponding amendment of the Project-specific Schedule following the process set out in clause 11.

Note: As set out in clause 11, the Minister can amend and reissue the Project-specific Schedule only in certain limited circumstances.

- 16.7 All parties will engage in negotiation of NTN Connection Arrangements in accordance with the principles in these Guidelines and the timetable set out in a Project-specific Schedule.

Compliance and dispute resolution

17 Compliance

All Parties are required to comply with these Guidelines in respect of NTN Connection Projects for which a notification has been issued under clause 9.1. The Parties are also required by these Guidelines to take all reasonable steps to comply with dates set out in any applicable Project-specific Schedules issued by the Minister.

Licensed network Operators are required to comply with these Guidelines in accordance with licence conditions imposed under the ES Act. The Act sets out a number of actions that can be taken in response to a breach of licence condition, including monetary penalties, directions and enforceable undertakings. As set out in its Compliance and Enforcement Policy, the actions that can be taken by the Tribunal in response to a breach of a licence condition will have regard for, among other things, the materiality of the non-compliance and the conduct of the licensee.⁴

In the event they do not yet hold a licence under the ES Act, the Preferred Candidate and Connecting Network Operator will be required to comply with these Guidelines under contractual arrangements with the Infrastructure Planner. Actions that can be taken by the Infrastructure Planner in response to a breach will depend on the seriousness of the breach and may include non-payment of bid costs or ending the Preferred Candidate's or Connecting Network Operator's involvement in the project.

The Infrastructure Planner is subject to the control or direction of the Minister under the EII Act and EUA Act. In the event of non-compliance with these Guidelines or a Project-specific Schedule, the Department will notify the Minister and the Minister will respond at their discretion.

- 17.1 Once a notification has been issued under clause 9, the Parties must comply with these Guidelines, including taking all reasonable steps to comply with dates set out in any applicable Project-specific Schedule.
- 17.2 The Parties will take all reasonable steps to identify and proactively manage any potential non-compliance with these Guidelines in order to avoid or mitigate the non-compliance.
- 17.3 Where a Party becomes aware that it is in breach of these Guidelines or any applicable Project-specific Schedule, or is at risk of being in breach, it must notify the working group as soon as practicable and develop and comply with a cure plan to remedy the breach in discussion with the working group.
- 17.4 Where a Party is concerned that another Party has breached its obligations or is at risk of doing so (but the other Party has not informed the working group), the (first) Party may alert the other Party regarding the potential breach and request that it provides information as to what (if any) action it proposes to take to avoid or mitigate the breach. The first Party may raise the matter for discussion by the working group

⁴ IPART, Compliance and Enforcement Policy, December 2025

and, if the matter is not addressed to the first Party's reasonable satisfaction, request the other Party to participate in direct discussion in accordance with clause 18.3.

- 17.5 If the other Party does not provide a satisfactory response, or agree to participate in direct discussion, the first Party may notify the Tribunal (if the concern relates to a Party which is a licensed network operator), the Infrastructure Planner (if the concern relates to a Preferred Candidate or Connecting Network Operator which is not yet licensed), or the Secretary of the Department (if the concern relates to the Infrastructure Planner) regarding the actual or potential breach.

Note: Under the ES Act (including s77, s87B, s92 and Schedule 2, clause 8A), the Tribunal can take such action with respect to a licensed network operator as it considers appropriate in the circumstances, including seeking further information to determine whether a breach has in fact occurred. Under Schedule 1 of the ES Act, the Tribunal can also seek an order under s61 of the National Electricity (NSW) Law for a declaration that a licensee has breached clause 5.2.3(f) of the NER (to the extent that the breach concerns non-compliance with a licence issued under the ES Act).

- 17.6 Licensed network operators are required to comply with IPART reporting manuals as a condition of their licence. Licensed network operators to whom a notification has been issued under clause 9.1 will report to the Tribunal regarding their compliance with these Guidelines and any applicable Project-specific Schedules in accordance with reporting manuals prescribed by the Tribunal from time to time.

- 17.7 In the case of non-compliance by a licensed network operator, the Tribunal may take action in accordance with its functions under the ES Act and may also notify the Minister at its discretion. In accordance with ES Act s92 and Schedule 2, clauses 8 and 8A, the Tribunal and/or Minister may take a range of actions where applicable, with the type of action reflecting the nature of the non-compliance. Possible actions include:

- (a) direct the licensee to take specified action;
- (b) take action to enforce a written undertaking provided by a licensee in connection with a non-compliance;
- (c) impose a monetary penalty on the licensee or a person who is a director of or concerned in the management of the licensee (but only if satisfied that the licensee or person knowingly contravened the requirement);
- (d) seek a court order under s61 of the National Electricity (NSW) Law; or
- (e) cancel the licence.

Note: The Minister must not take action under Schedule 2 clauses 8 and the Tribunal must not take action under Schedule 2 clause 8A without first complying with clause 9. That clause requires that notice of the proposed action be given to the licensee, the licensee be given a reasonable opportunity to make submissions, and that the submissions be given due consideration.

- 17.8 Licensed network operators must comply with any reasonable requests from the Tribunal, including for example and without limitation a request to provide information or take action to rectify the non-compliance.
- 17.9 In the case of non-compliance by a Preferred Candidate or Connecting Network Operator (where that Party does not yet hold a licence under the ES Act), the Infrastructure Planner may exercise its rights under its contractual arrangements with the Preferred Candidate or Connecting Network Operator, which may include for example and without limitation:
- (a) requiring the Preferred Candidate or Connecting Network Operator to provide and comply with a cure plan;
 - (b) non-payment of bid costs (i.e. the cost to the Party of participating in a competitive process); or
 - (c) ending the Preferred Candidate's or Connecting Network Operator's involvement in the NTN Connection Project.
- 17.10 In the case of non-compliance by the Infrastructure Planner, the Secretary of the Department will notify the Minister of this non-compliance. The Minister may:
- (a) direct the Infrastructure Planner to take specified action,
 - (b) require the non-compliance to be examined via an audit process under s67 of the EII Act, and
 - (c) include information regarding the non-compliance in an annual report under s70 of the EII Act.
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18 Direct discussion and dispute resolution

In accordance with these Guidelines, the Parties are to act in good faith, work collaboratively and comply with obligations in a timely manner.

In the interest of facilitating timely processes, mitigating the risk of delays, and resolving issues efficiently as they arise, this section provides a framework for responding to concerns about technical and commercial matters, timeliness etc. The expectation is that this framework can be drawn on to proactively respond to these concerns and help keep projects on track.

In the case that disputes do arise in the course of following the processes set out in these Guidelines, this section also provides a framework for managing disputes.

Note: It is intended that regulations to be made under s192B of the ES Act will disapply dispute resolution processes in the NER such that disputes relating to NTN Connection Projects will – while a notification is in effect under clause 9.1 - be resolved via the process set out in these Guidelines rather than under the NER.

This will allow for NTN Connection disputes to be resolved through a single forum, rather than having disputes relating to connection agreements proceed under the NER while disputes relating to other elements of an NTN Connection Project proceed under these Guidelines.

Once an NTN Connection Notification is no longer in effect, any disputes relating to a NTN Connection Agreement would proceed under the NER rather than under these Guidelines.

Direct discussion

- 18.1 In the first instance, the Parties will seek to resolve any disputes and timeliness concerns through direct discussion between the Executives of each Party (rather than through intervention by the Tribunal or other third parties).
- 18.2 Without limitation, disputes or concerns to be addressed through direct discussion may involve matters such as the following:
- (a) developing the Project-specific Schedule;
 - (b) developing or amending the Work Program;
 - (c) information sharing and fees for the preparation of information;
 - (d) identification of the preferred NTN Connection option;
 - (e) the technical design of the preferred NTN Connection option;
 - (f) failure to agree a matter under these Guidelines;
 - (g) negotiation of NTN Connection Arrangements – including whether the Parties are negotiating in good faith, and whether proposed terms are fair and reasonable;
 - (h) timely compliance with the Work Program or Project-specific Schedule, or any matter that poses a risk to timely compliance; or
 - (i) the interpretation of these Guidelines.
- 18.3 Any Party may formally request direct discussion through a written request to the other Party or Parties.
- 18.4 Once requested, a meeting between appropriate Executive Representatives of each Party must be held within 10 business days.
- 18.5 The meeting is to be held on a without prejudice basis and may be conducted in person, by telephone, video conference or a similar method of communication.
- 18.6 Subject to clause 18.11(e), the Parties may agree to keep confidential:
- (a) the fact that the dispute or concerns exist; and
 - (b) any information exchanged by the Parties for the purpose of attempting to resolve the relevant dispute.
- 18.7 The Executives of each Party must use best endeavours to resolve the concern or dispute, with the intent to avoid a formal dispute resolution process and/or avoid non-compliance with these Guidelines, including any applicable Project-specific Schedule.
- 18.8 If the Executives agree, they may engage an independent third party to assist with resolving the matter. The Parties agree to share the cost of the third party.

Dispute resolution

- 18.9 If a dispute arises between the Parties which is not resolved through direct discussion, the process in this section must be followed. (This process is not to be used in relation to the development or amendment of a Project-specific Schedule. Where the Parties cannot agree, the Minister is to resolve the matter in accordance with clause 11. The dispute resolution process is also not to be used in relation to the development and amendment of Work Programs, the sharing of information or related fees. Such issues are to be resolved through direct discussion. Where matters relating to information sharing cannot be resolved through direct discussion, the matter should be referred to the Tribunal, the Infrastructure Planner or the Secretary of the Department in accordance with clause 17.5. The dispute resolution process is not to be used in relation to the variation of previously agreed positions pursuant to clauses 15.4 and 16.5.)
- 18.10 Any Party may initiate the dispute resolution process by notifying the Appointing Entity in writing of the nature of the dispute and the Parties involved within 10 business days after direct discussions have failed to resolve the matter. The Infrastructure Planner will be a party to each dispute relating to these Guidelines.
- 18.11 The notification to the Appointing Entity must identify:
- (a) the names and contact details of the Parties involved;
 - (b) the nature of the dispute and points at issue,
 - (c) the relief or remedy sought;
 - (d) a statement of the relevant facts and legal grounds or arguments supporting the claim of the Party initiating the dispute;
 - (e) the outcome of direct discussions.
- 18.12 On receiving a notification under clause 18.10, the Appointing Entity must give notice in writing of the dispute to the other Parties to the dispute.
- 18.13 A Party may withdraw its dispute notification at any time by written notice to the Appointing Entity and the other Parties.
- 18.14 On receiving a notification under clause 18.10, the Appointing Entity must request the Parties, within 5 business days, to nominate two persons each for appointment as the independent expert to determine the dispute. The Parties may make the nominations.
- 18.15 As soon as practicable, and no later than 15 business days, after the expiry of the time specified in clause 18.14, the Appointing Entity must appoint:
- (a) one of the persons (if any) nominated by the Parties under clause 18.14; or
 - (b) if no persons were nominated within the time specified in clause 18.14 or all of the persons so nominated do not qualify for appointment under clauses 18.17 or 18.18, a person determined by the Appointing Entity
- as the independent expert to determine the dispute, and must refer the dispute to that independent expert.

- 18.16 The Appointing Entity's selection of the independent expert is final and binding upon all Parties.
- 18.17 The Appointing Entity may only appoint a person as the independent expert if that person is experienced or trained in dispute resolution techniques.
- 18.18 A person is not eligible for appointment as the independent expert if that person has any interest that may conflict with, or which may be seen to conflict with, the impartial resolution of the dispute. Where the person who is appointed as the independent expert becomes aware of such conflict after that person commences the hearing of the dispute, the person must advise the Parties to that effect.
- 18.19 Where:
- (a) the Parties believe that the person appointed as the independent expert has an interest which may conflict with the impartial resolution of the dispute; or
 - (b) the person appointed as the independent expert discloses the existence of such an interest,
- the person must not continue to hear and determine the dispute, except with the written consent of the Parties.
- 18.20 The appointed independent expert may give the Parties such directions as it considers necessary for the proper conduct of the proceedings and to provide a determination on the dispute, including in relation to the provision of documents and information and the making of oral and written submissions. The independent expert may require the Parties to keep documents and information confidential. A Party must comply with any such directions.
- 18.21 The independent expert must have regard to the following matters in determining the dispute:
- (a) obligations on the Parties under these Guidelines; and
 - (b) any relevant requirements under applicable jurisdictional or national electricity legislation.
- 18.22 In determining the dispute, the independent expert must apply any decision of AEMO or the AER that relates to a matter the subject of the dispute where that decision relates to terms and conditions of access and is made under Chapters 4, 5 or 6A of the NER.
- 18.23 In determining the dispute, the independent expert may hear evidence or receive submissions from AEMO in relation to power system security matters.
- 18.24 The independent expert must provide its determination on the dispute as quickly as possible, and in any case must do so within 30 business days after the independent expert is appointed.
- 18.25 The independent expert may extend the period referred to in clause 18.24 if all the Parties (including, for the avoidance of doubt, the Infrastructure Planner) agree in

writing. Such longer period must not exceed 60 business days from when the independent expert is appointed.

- 18.26 A determination by the independent expert is binding on all Parties to the dispute, except in the case of fraud or manifest error.
- 18.27 Non-compliance with the independent expert's determination is a breach of these Guidelines.
- 18.28 Unless otherwise agreed, the costs of the dispute resolution process are to be borne equally by the Parties (excluding the Infrastructure Planner, if the Infrastructure Planner is participating only as an observer).
- 18.29 To the extent permitted by law, a person who is appointed as an independent expert is not liable for any loss, damage or liability suffered or incurred by any person as a consequence of any act or omission of that person which was done in good faith in connection with the dispute.
- 18.30 A person who is appointed as an independent expert may, before acting in relation to the dispute, require the Parties to the dispute (and any one of them) to execute a release and indemnity in relation to any loss, damage or liability that that person would, but for the release or indemnity, suffer or incur as a consequence of any act or omission done in good faith in connection with the dispute.
- 18.31 Nothing in this clause prevents the Minister or Tribunal from taking action under the ES Act in response to a non-compliance with these Guidelines.

Appendix 1 – Project-specific Schedule template

This Project-specific Schedule sets out a binding timeline for the [development/delivery] of the network-to-network connection as part of the network infrastructure specified in the Renewable Energy Zone (XX) Order 20XX made under section 19(1) of the *Electricity Infrastructure Investment Act 2020* [or equivalent details regarding a Priority Network Infrastructure Project – PNIP].

The XX Renewable Energy Zone [or PNIP] comprises:

- The land identified as the 'XX Renewable Energy Zone Geographical Area' in Schedule 1 of the Order; and
- The network infrastructure specified in Schedule 2 of the Order.

The intended network capacity for network infrastructure in the XX Renewable Energy Zone/PNIP is XX gigawatts.

The Minister has appointed the Energy Corporation of NSW as Infrastructure Planner for the XX Renewable Energy Zone/PNIP.

The Existing Network Operator for the network-to-network connection is XX.

The Parties named in this Project-specific Schedule must, in accordance with the Network-to-network Connection Guidelines, take all reasonable steps to comply with dates set out in this Project-specific Schedule.

Compliance with the Network-to-network Connection Guidelines (and, in turn, with this Project-specific Schedule), is required of the Existing Network Operator and (if it is licensed) the Connecting Network Operator in accordance with its licence under the ES Act, and is required of the Infrastructure Planner under the EII Act.

In the event they do not yet hold a licence under the ES Act, a Preferred Candidate or Connecting Network Operator will be required to comply with the Network-to-network Connection Guidelines under contractual arrangements with the Infrastructure Planner.

It is expected that the Parties will facilitate the completion of each Milestone by the Delivery Date, in line with their obligations under the *Network-to-network Connection Guidelines* and other jurisdictional responsibilities.

Development phase Project-specific Schedule

	Milestone (illustrative only)	Delivery date
1	Agree a Work Program for the NTN Connection option(s) Agree the Work Program (including agreeing technical requirements, grid studies etc required to examine options and identify a preferred option for the NTN Connection)	TBC
2	Identify the preferred NTN Connection option Having completed the grid studies etc set out in the Work Program, agree on the preferred NTN Connection option to progress to detailed technical design.	TBC
3	Agree the detailed technical design scope of work for the preferred NTN Connection option Agree a scope of work to complete the technical design studies for the preferred NTN Connection option. Undertake design studies and finalise technical project specifications.	TBC
4	Commence negotiation of draft NTN Contractual Arrangements Infrastructure Planner and Existing Network Operator commence negotiation of agreements.	TBC
5	Prepare documents to support selection process Negotiate terms (based on pro forma agreements) and finalise draft agreements for inclusion in selection process documents.	TBC
6	Carry out selection process and select Preferred Candidate Undertake selection process and select the Preferred Candidate to undertake the project. Preferred Candidate joins negotiations with Existing Network Operator.	TBC
7	Connecting Network Operator is appointed to undertake project Infrastructure Planner appoints or Minister authorises or directs Connecting Network Operator to undertake the project.	TBC
8	Parties agree delivery phase Project-specific Schedule Parties develop and agree the Schedule that will govern the delivery phase of the NTN Connection Project.	TBC
9	Contract close (indicative) This date is included for planning purposes and to guide the development of the delivery phase Project-specific Schedule. It will become binding once that Schedule is issued by the Minister.	TBC

Delivery phase Project-specific Schedule

	Milestone (illustrative only)	Delivery date
	Finalise terms of NTN Contractual arrangements	
1	The Parties will finalise (but not sign) the terms of NTN Contractual arrangements to enable a revenue proposal to be submitted.	TBC
	Revenue determination	
2	Existing Network Operator and Connecting Network Operator submit revenue proposals and AER makes revenue determinations	TBC
	Contract close	
3	Enter into NTN Contractual Arrangements between all Parties: Infrastructure Planner, Existing Network Operator, Connecting Network Operator.	TBC
4	Financial close	TBC
5	Existing Network Operator to complete construction of connection works	TBC*
6	Connecting Network Operator to complete construction of connection works	TBC*
7	Connect the networks, and energise and commission the new NTN Connection works	TBC*

* Unless otherwise amended in accordance with contractual arrangements.