

Submission in response to

NSW Government Consultation Paper – Electricity Supply (Safety & Network Management) Regulation 2026

May 2026





Introduction

The National Electrical and Communications Association (NECA) welcomes the opportunity to comment on the proposed remake of the *Electricity Supply (Safety and Network Management) Regulation 2014*.

This submission focuses on the proposed clarification of **contestable network services** within the Accredited Service Provider (ASP) Scheme, as outlined in the consultation paper and reflected in clause 16 of the exposure draft.

NECA supports the intent of providing greater clarity and improving the operation of the ASP framework. However, the definition of contestable network services is a foundational element of the scheme and must be carefully calibrated to ensure that it reflects appropriate safety boundaries, preserves clear operational accountability, and aligns with the intent of the *Electricity Supply Act 1995*.

About NECA

NECA is the peak industry body representing electrical contracting businesses across Australia, including a substantial proportion of Accredited Service Providers (ASPs) operating in New South Wales.

The ASP Scheme plays a critical role in ensuring that contestable electrical network work is undertaken safely, competently and in accordance with distributor requirements. NECA supports this framework through industry representation, training and engagement with government and network operators.

Clarification of Contestable Network Services – Clause 16

NECA supports the objective of clarifying contestable services in the Regulation. However, aspects of clause 16, as currently drafted, introduce ambiguity and extend contestability into areas that are not consistent with the intended scope of the ASP Scheme.

Clause 16(1) prescribes a range of distribution services as contestable network services, including switching activities and broad categories of infrastructure works.

While some of these services align with existing ASP practice, others require modification to ensure the framework remains safe and coherent.

Section 16(1)(a) – Disconnecting and reconnecting power

Clause 16(1)(a) proposes to make the disconnection and reconnection of power to an area a contestable network service.

NECA does not support this approach and recommends that **section 16(1)(a) be removed in its entirety**.

The operation of distribution network assets, including switching, isolation and restoration of supply, is a core function of network operation. These activities are inherently safety-critical, are integrated with broader system management obligations, and require coordination with control room functions and network security requirements. As such, they are fundamentally different in nature from construction or connection works traditionally delivered under contestable arrangements.

Including such activities as contestable services risks creating ambiguity in accountability and may imply that customers have a right to select providers to perform functions that are intrinsically part of network operation. This is not consistent with the intent of sections 31 and 31A of the *Electricity Supply Act 1995*, which are directed at enabling competition in appropriate service delivery functions rather than system operation.

Importantly, removing this provision does not prevent a distributor from authorising an ASP to undertake switching or isolation activities where appropriate to facilitate contestable works. Such arrangements already occur in practice under distributor authorisation and control. However, these activities should remain within the operational framework of the distributor rather than being prescribed as contestable services.

Replacement of Section 16(1)(a) – Design Services

NECA recommends that the removed provision be replaced with a category of **design-related services**.

Design is a core component of the ASP Scheme (particularly for Level 3 ASPs) and is directly linked to customer-driven connection outcomes. Explicitly recognising design services as contestable would improve clarity and better reflect how the scheme operates in practice.

NECA recommends that clause 16(1)(a) instead capture:

design services for customer-driven proposed connections, disconnections, network extension or augmentation, relocation and temporary works affecting network assets.

This would align the Regulation with existing industry practice and provide a coherent link between project initiation, design, and delivery within the contestable framework.

Section 16(1)(b) – Distribution Infrastructure

Clause 16(1)(b) currently refers to the “connection, disconnection and removal of distribution infrastructure.”

NECA considers that this provision should be refined to better reflect the full lifecycle of contestable works and to align with established ASP activities.

In particular, the provision should be expanded to include **approved construction and demolition activities**, which are integral to infrastructure delivery and already performed within the ASP framework.

NECA recommends that section 16(1)(b) be amended to read:

“approved construction, connection, disconnection and demolition of distribution infrastructure.”

This wording better reflects industry practice, ensures clarity regarding the scope of contestable works, and aligns with the types of activities undertaken by accredited providers across different ASP classes.

Conclusion

NECA supports the modernisation of the ES (Safety) Regulation and the intent to clarify the scope of contestable network services. However, careful refinement of clause 16 is necessary to ensure that the ASP Scheme continues to operate safely and effectively.

NECA recommends that:

- section 16(1)(a) be removed, as the operation of distribution network assets, including switching, should not be prescribed as a contestable service;
- a new provision be inserted to recognise design services associated with customer-driven network works as contestable; and
- section 16(1)(b) be expanded to include approved construction and demolition of distribution infrastructure, alongside connection and disconnection activities.

These changes would preserve clear operational boundaries, better reflect industry practice, and ensure that the Regulation supports a safe, efficient and well-functioning contestable services framework.

NECA would welcome further engagement with the Department on this issue.

Yours sincerely



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