



## **Draft National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023**

The Australian Energy Market Commission makes the following Rule under the National Electricity Law to the extent applied by:

- (a) the *National Electricity (South Australia) Act 1996 of South Australia*;
- (b) the *Electricity (National Scheme) Act 1997 of the Australian Capital Territory*;
- (c) the *Electricity - National Scheme (Queensland) Act 1997 of Queensland*;
- (d) the *National Electricity (New South Wales) Act 1997 of New South Wales*;
- (e) the *Electricity - National Scheme (Tasmania) Act 1999 of Tasmania*;
- (f) the *National Electricity (Victoria) Act 2005 of Victoria*;
- (g) the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015 of the Northern Territory*; and
- (h) the *Australian Energy Market Act 2004 of the Commonwealth*.

Anna Collyer  
Chairperson  
Australian Energy Market Commission

## **Draft National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023**

### **1 Title of Rule**

This Rule is the *Draft National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023*.

### **2 Commencement**

This Rule commences operation on [5 December 2023].

### **3 Amendment to the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 1.

### **4 Savings and Transitional Amendment to the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 2.

## Schedule 1 Amendment to the National Electricity Rules

(Clause 3)

### [1] 5.10.2 Definitions

In clause 5.10.2, insert the following new definition in alphabetical order:

**community engagement expectations** in relation to *actionable ISP projects, future ISP projects*, or projects within a REZ stage (as applicable), means using reasonable endeavours to ensure that:

- (a) stakeholders receive information that is clear, accurate, relevant, timely and explains the rationale for the relevant project;
- (b) engagement materials and methods of communication are tailored to meet the needs of different stakeholders;
- (c) the stakeholders' role in the engagement process is clearly explained, including how their input will be taken into account;
- (d) stakeholders have sufficient opportunity to consider and respond to the information they receive;
- (e) stakeholder feedback, including potential ways to deliver community benefits, are considered;
- (f) stakeholders are informed about how stakeholder feedback has been taken into account in decision-making; and
- (g) stakeholders are provided the opportunity to be regularly involved throughout the *actionable ISP projects, future ISP projects* and REZ stages (as applicable).

### [2] 5.10.2 Definitions

In clause 5.10.2, in the definition of "**preparatory activities**", omit paragraph (e) and substitute:

- (e) engagement with stakeholders who are reasonably expected to be affected by the development of the *actionable ISP project, future ISP project*, or project within a REZ stage (including local *landowners*, local council, local community members and traditional owners) in accordance with the *community engagement expectations*.

### [3] 5.10.2 Definitions

In clause 5.10.2, insert the following new definition in alphabetical order:

**traditional owners** in relation to an *actionable ISP project, future ISP project*, or project within a REZ stage (as applicable), means Aboriginal and Torres Strait Islander peoples who have a spiritual affiliation to a site on or

near the land the subject of the *actionable ISP project*, *future ISP project*, or project within a REZ stage (as applicable).

**[4] 5.15.1 Interested parties**

In clause 5.15.1, insert "(a)" before "In clauses 5.16.4, 5.16A.4, rule 5.16B and clauses 5.17.4 and 5.17.5, *interested party* means a person including an end user or its *representative* who, in the *AER's* opinion, has the potential to suffer a material and adverse *NEM* impact from the investment identified as the *preferred option* in the *project assessment conclusions report* or the *final project assessment report* (as the case may be)."

**[5] 5.15.1 Interested parties**

After clause 5.15.1, insert:

- (b) For the purpose of the *regulatory investment test for transmission* for an *actionable ISP project*, an *interested party* includes stakeholders who are reasonably expected to be affected by the development of the *actionable ISP project* (including local *landowners*, local council, local community members and traditional owners).

**[6] 5.16A.4 Regulatory investment test for transmission procedures**

After clause 5.16A.4(u):

**Consultation with communities**

- (v) To the extent that consultations under paragraphs (a) and (f) include engagement with *interested parties* as defined in clause 5.15.1(b), that engagement must be undertaken in accordance with the *community engagement expectations*.

**Note**

Clauses 5.16A.4(n)-(u) commence on 9 October 2023 under the Material change in network infrastructure project costs rule change (ERC0325).

**[7] 5.24.1(d)(3)(C) REZ design reports**

Omit clause 5.24.1(d)(3)(C) and substitute:

- (C) the results of any engagement with stakeholders who are reasonably expected to be affected by the development of a project within a REZ stage (including local *landowners*, local council, local community members and traditional owners) undertaken as part of *preparatory activities* pursuant to paragraph (b)(2)(i);

**[8] 5.24.1(e) REZ design reports**

Omit clause 5.24.1(e) and substitute:

- (e) In undertaking any public consultation pursuant to paragraph (d)(1), seeking written submissions in accordance with paragraph (d)(2) and undertaking engagement with stakeholders who are reasonably expected to be affected by the development of a project within a REZ stage (including local *landowners*, local council, local community members and traditional owners) as part of *preparatory activities* pursuant to paragraph (b)(2)(i), the *jurisdictional planning body* must do so in accordance with the *community engagement expectations*.

**[9] Chapter 10 Glossary**

In Chapter 10, insert the following new definition in alphabetical order:

***community engagement expectations***

Has the meaning given to it in clause 5.10.2.

## Schedule 2 Savings and Transitional Amendment to the National Electricity Rules

(Clause 4)

### [1] New Rule 11.[161] Enhancing community engagement in transmission building

In chapter 11, after Rule 11.[160], insert:

#### 11.[161] Rules consequential on the making of the National Electricity Amendment (Enhancing community engagement in transmission building) Rule 2023

##### 11.[161].1 Definitions

For the purposes of this Rule [11.160]:

**Amending Rule** means the *National Electricity Amendment* (Enhancing community engagement in transmission building) Rule 2023.

**commencement date** means the date on which the Amending Rule commences operation.

##### 11.[161].2 Existing actionable ISP projects prior to the clause 5.16A.5 stage

- (a) This clause 11.[161].2 applies if, at the commencement date, for an existing *actionable ISP project* the *RIT-T proponent* has requested written confirmation from *AEMO* under clause 5.16A.5(b).
- (b) For an existing *actionable ISP project* referred to in paragraph (a), rule 5.16A continues to apply as if the Amending Rule had not been made.

##### 11.[161].3 Cost Benefit Analysis Guidelines

- (a) Within 12 months after the commencement date, the *AER* must update and *publish* the *Cost Benefit Analysis Guidelines* required under clause 5.22.5 to comply with the requirements set out in clause 5.16A.2(c)(4), and in doing so must comply with the *Rules consultation procedures*.

##### Note

Clause 5.16A.2(c)(4) commences on 9 October 2023 under the Material change in network infrastructure project costs rule change (ERC0325).

- (b) If, prior to the commencement date, and for the purposes of updating the *Cost Benefit Analysis Guidelines* in anticipation of the Amending Rule, the *AER* undertook consultation or steps equivalent to that as required in the *Rules consultation procedures*, then that consultation

or steps under taken is taken to satisfy the equivalent consultation or steps under the *Rules consultation procedures*.

**11.[161].4                      Preparatory activities**

- (a) This clause 11.[161].4 applies if, at the commencement date, for an existing *actionable ISP project* or a *future ISP project*, the *Transmission Network Service Provider* has commenced the *preparatory activities* referred to in clause 5.22.6(d).
- (b) For an existing *actionable ISP project* or *future ISP project* referred to in paragraph (a), the definition of *preparatory activities* continues to apply as if the Amending Rule had not been made, unless the *Transmission Network Service Provider* elects for the Amending Rule to apply.

**11.[161].5                      Community engagement expectations**

- (a) This clause 11.[161].5 applies if, at the commencement date, for an existing *actionable ISP project* the *Transmission Network Service Provider* has commenced the consultation referred to in clauses 5.16A.4(a) and (f).
- (b) For an existing *actionable ISP project* referred to in paragraph (a), clauses 5.16A.4(a) and (f) continue to apply as if the Amending Rule had not been made, unless the *Transmission Network Service Provider* elects for the Amending Rule to apply.
- (c) If the *Transmission Network Service Provider* makes this election under paragraph (b) then it must confirm this in the *project assessment draft report* or *project assessment conclusions report* (as relevant).