

Serial 36
Electricity Legislation Amendment (Market Reform) Bill 2025
Mr Maley

A Bill for an Act to amend the *Electricity Reform Act 2000* and the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015*

NORTHERN TERRITORY OF AUSTRALIA

ELECTRICITY LEGISLATION AMENDMENT (MARKET REFORM)
ACT 2025

Act No. [] of 2025

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NORTHERN TERRITORY OF AUSTRALIA

Act No. [] of 2025

5

An Act to amend the *Electricity Reform Act 2000* and the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015*

[Assented to [] 2025]
[Introduced [] 2025]

10 The Legislative Assembly of the Northern Territory enacts as follows:

Part 1 Preliminary matters

1 Short title

This Act may be cited as the *Electricity Legislation Amendment (Market Reform) Act 2025*.

15

2 Commencement

- (1) Subject to subsection (2), this Act commences on the day fixed by the Administrator by *Gazette* notice.
- (2) If a provision of this Act does not commence before 1 November 2027, it commences on that day.

20

Part 2 Stage 1 amendments

3 Act amended

This Part amends the *Electricity Reform Act 2000*.

4 Section 3 amended (Objects)

(1) Section 3(a) to (d), at the end

insert

and

5 (2) After section 3(e)

insert

(ea) to facilitate the coordinated planning, development and operation of electricity infrastructure and power systems; and

10 (eb) to support and facilitate coordinated investment in relation to electricity infrastructure and power systems;

5 Section 4 amended (Interpretation)

(1) Section 4(1), definition **system controller**

omit

(2) Section 4(1)

15 *insert*

authorised rule-making entity means:

(a) the Minister; or

(b) a person or body prescribed by regulation to be an authorised rule-making entity.

20 **NTESMO** means the Northern Territory Electricity System and Market Operator established under the *Electricity System and Market Operator Act 2025*.

regulated electricity system means a power system prescribed by regulation to be a regulated electricity system under this Act.

25 **system controller** means:

(a) for a regulated electricity system – NTESMO; or

(b) for any other power system – the person licensed under Part 3 to exercise system control over the power system.

TEM Rules, see Part 3, Division 3A.

vary, in relation to the TEM Rules, includes to revoke and substitute the TEM Rules.

- (3) Section 4(1), definition **RoLR transfer event**, paragraph (b)

omit, insert

- 5 (b) the electricity retailer fails to meet a requirement under the Retail Code or the TEM Rules to provide credit support in respect of a payment to:

- (i) the Power and Water Corporation; or
 (ii) an entity that provides electricity generation; or
 10 (iii) a market operator;

- (4) After section 4(1)

insert

- 15 (1A) A regulation prescribing a power system to be a regulated electricity system under this Act may only be made on the recommendation of the Minister.

- (1B) The Minister must not make a recommendation under subsection (1A) unless the Minister has taken reasonable steps to consult with the electricity entities that are engaged in the operation of the power system.

20 **6 Section 6 amended (Functions of Utilities Commission)**

- (1) Section 6(a), at the end

insert

and

- (2) Section 6(c), after "the Regulations"

25 *insert*

or the TEM Rules

7 Section 37K amended (Sections repealed)

- (1) Section 37K(1)

omit

30 Five years after the commencement of this Division,

insert

On the designated day,

(2) Section 37K(2)

omit, insert

5 (2) On the designated day, regulation 25(7) of the *Electricity Reform (Administration) Regulations 2000* is repealed.

(3) After section 37K(5)

insert

(6) In this section:

10 **designated day** means:

(a) unless paragraph (b) applies – 19 November 2026; or

(b) if a later day is prescribed by regulation before 19 November 2026 – the prescribed day.

8 Part 3, Division 3A inserted

15 After section 40

insert

Division 3A Territory Electricity Market Rules

40A Power to make rules

20 (1) An authorised rule-making entity may make rules, to be known, collectively, as the *Territory Electricity Market Rules* (the **TEM Rules**).

(2) The TEM Rules may:

(a) provide for requirements in relation to system control of:

(i) a regulated electricity system; or

25 (ii) any other power system prescribed by regulation; and

(b) provide for the establishment, governance and operation of a wholesale electricity market in relation to a power system; and

(c) provide for and govern participation in a wholesale electricity market established by the TEM Rules; and

-
- (d) provide for and govern access to a regulated electricity system, including by:
- (i) limiting or restricting access to a regulated electricity system; and
 - 5 (ii) providing that access will be subject to conditions and other requirements including technical requirements); and
- (e) provide for the coordinated planning, authorisation and implementation of projects, which may, if the TEM Rules so provide, require approval under the TEM Rules; and
- 10 (f) provide for the regulation of the wholesale purchase and supply of electricity; and
- (g) provide for any other matter that:
- 15 (i) is required or permitted to be dealt by or under the TEM Rules by this Act; or
 - (ii) is prescribed by regulation; or
 - (iii) necessary or convenient for the facilitation, development, regulation, control, use or operation of a wholesale electricity market, power systems, or any other electricity infrastructure, services or facilities.
- 20
- (3) For subsection (2)(d) and (e) (but without limiting any other provision), the TEM Rules may provide for any assessment or approval process connected with gaining access to a regulated electricity system.
- 25 (4) Subject to this Act, an authorised rule-making entity may vary the TEM Rules at any time.
- (5) In the case of an authorised rule-making entity other than the Minister, the authorised rule-making entity must consult with the Minister before it makes a variation to the TEM Rules to the extent, and in the manner, prescribed by regulation.
- 30 (6) Section 57 of the *Interpretation Act 1978* does not apply to the TEM Rules.

40B TEM Rules – related provisions

- (1) Without limiting section 40A, the TEM Rules may:
- 35 (a) be of general or limited application; and

- (b) vary according to the persons, times, places or circumstances to which they are expressed to apply; and
- (c) confer functions or powers on, or leave any matter or thing to be decided or determined by:
- 5 (i) the Minister; or
- (ii) NTESMO or another market operator or system controller; or
- (iii) the Utilities Commission; or
- (iv) any other body specified by the TEM Rules; and
- 10 (d) regulate the conduct of any person or class of persons in relation to any matter that may be regulated under the TEM Rules; and
- (e) confer rights or impose obligations on any person or class of persons; and
- 15 (f) empower:
- (i) NTESMO to make, prepare, develop or issue codes, guidelines, tests, standards, procedures or any other document (however described) in accordance with the TEM Rules, including codes, guidelines, tests, standards, procedures or any other document (however described) that leave any matter or thing to be determined by NTESMO; and
- 20 (ii) any other person or body to make or issue codes, guidelines, tests, standards, procedures or any other document (however described) in accordance with the TEM Rules; and
- 25 (g) require that a person or body act under paragraph (f); and
- (h) apply, adopt or incorporate wholly or partially, or with or without modification, the provisions of any code, standard, rule, specification, method or document (however described) issued or published by any person, authority or body whether:
- 30 (i) as issued or published at the time the TEM Rules are made; or
- (ii) as issued or published at a particular time before the TEM Rules are made; or
- 35

- (iii) as issued or published from time to time; and
- 5 (i) confer a power on NTESMO or another market operator or system controller to issue directions to persons in connection with the operation of a power system, or the contribution of electricity to, or the taking of electricity from, a power system; and
- (j) require that electricity must be purchased from a market operator in respect of a power system prescribed by regulation for this paragraph; and
- 10 (k) require an electricity retailer or a market participant (within the meaning of the National Electricity (NT) Rules to provide credit support to a market operator in respect of a payment to the market operator, and impose other forms of financial obligations; and
- 15 (l) prescribe or adopt technical or operational requirements, standards or other matters in connection with any aspect of a power system, including by:
- 20 (i) specifying situations where a power system, or part of a power system, may need to be altered, subject to augmentation or disconnected; or
- (ii) dealing with any matter that may be relevant to the control or operation of any aspect of a power system; and
- 25 (m) include a prohibition in relation to any matter that may be regulated under the TEM Rules; and
- (n) prohibit persons from engaging in an activity specified in the TEM Rules unless they are registered in accordance with the TEM Rules; and
- 30 (o) in a specified case or class of case, provide an exemption from the TEM Rules to:
- (i) NTESMO or another market operator or system controller; or
- (ii) an electricity entity or potential electricity entity; or
- 35 (iii) any other person or body performing a function or exercising a power, or conferred a right, or on whom an obligation is imposed, under the TEM Rules or a class of any such person or body; and

-
- (p) provide for the modification or variation of the TEM Rules (with or without substitution of a provision of the TEM Rules or part of a provision of the TEM Rules) as it applies to:
- 5 (i) NTESMO or another market operator or system controller; or
- (ii) an electricity entity or potential electricity entity; or
- 10 (iii) any other person or body performing a function or exercising a power, or conferred a right, or on whom an obligation is imposed, under the TEM Rules or a class of any such person or body; and
- (q) provide for the establishment of, or authorise the formation of, a body, panel or committee and confer functions, or authorise the conferral of functions, on that body, panel or committee; and
- 15 (r) require a person or body performing a function or exercising a power, or conferred a right, or on whom an obligation is imposed, to indemnify another such person or body; and
- (s) provide for a scheme for the resolution of specified classes of disputes in relation to any matter under the TEM Rules, or
- 20 between two electricity entities in connection with any matter that relates to the operation or development of a power system; and
- (t) provide for the setting, determination or adoption of fees or
- 25 charges, including the methodology to be applied to determine any fee or charge and providing for differential fees and charges, and provide for the imposition, payment and collection of fees or charges; and
- (u) contain provisions of a savings or transitional nature consequent on the making or variation of a TEM Rule.
- 30 (2) A requirement under subsection (1) may apply in addition to, or in substitution for, a requirement under the Retail Code.
- (3) In the event of an inconsistency between the TEM Rules and the Retail Code, the TEM Rules prevail to the extent of the inconsistency.
- 35 (4) The Minister may direct NTESMO or another market operator or system controller to provide advice to the Minister in relation to the TEM Rules.

40C TEM Rules have force of law

The TEM Rules have the force of law.

40D Regulations

(1) The regulations may provide for the following:

- 5 (a) consultation that must be undertaken before an authorised rule-making entity:
- (i) makes the TEM Rules; or
 - (ii) varies the TEM Rules;
- 10 (b) a person to request that the TEM Rules be varied in a particular respect and the process to be followed on the making of the request for a variation;
- (c) the enforcement of the TEM Rules, including by:
- (i) providing that a contravention of the TEM Rules is an offence against a regulation; and
 - 15 (ii) providing for and regulating the taking of proceedings in respect of an alleged contravention of the TEM Rules;
- (d) the conferral of an immunity on, or the limitation of the liability of, a person or body performing a function or exercising a power, or conferred a right, or on whom an obligation is imposed, under the TEM Rules.
- 20

(2) For subsection (1)(a), the regulations may provide for:

- (a) expedited consultation processes to be taken in prescribed circumstances; and
- 25 (b) exceptions to a requirement to undertaken consultation in prescribed circumstances.

(3) For subsection (1)(b), the regulations may:

- (a) provide that a request must be accompanied by the information prescribed by regulation; and
- 30 (b) provide that the person making a request must provide additional information in prescribed circumstances; and
- (c) prescribe other requirements and processes in connection with a request.

- (4) For subsection (1)(c), the regulations may:
- (a) prescribe a fine not exceeding 100 penalty units for an offence; and
 - (b) provide for an offence to be an offence of strict or absolute liability; and
 - (c) provide for the orders that may be made and other sanctions that may be imposed in proceedings.

40E Publication of TEM Rules

The Agency must publish the TEM Rules, as in force from to time, on the Agency's website.

Part 3 Stage 2 amendments

9 Act amended

This Part amends the *Electricity Reform Act 2000*.

10 Section 4 amended (Interpretation)

Section 4(1)

insert

market operator, in relation to a power system, means a person licensed under Part 3 to operate a wholesale electricity market in relation to the power system.

operate wholesale electricity market means to operate and administer a wholesale exchange for electricity in relation to a power system but does not include an activity prescribed by regulation as not being an activity to operate a wholesale exchange for electricity.

11 Section 14 amended (Requirement for licence)

(1) Section 14(3)(a) to (c), at the end

insert

or

(2) After section 14(3)(d)

insert

(da) operating a wholesale electricity market; or

12 Section 14A inserted

5 After section 14

insert

14A Licence to be issued to NTESMO

(1) The Utilities Commission must issue a licence to NTESMO authorising NTESMO:

10 (a) to be the system controller for any regulated electricity system; and

(b) in relation to a regulated electricity system prescribed for this paragraph from time to time – to operate a wholesale electricity market for that regulated electricity system; and

15 (c) to sell electricity to persons who are authorised by the regulations or the TEM Rules, or by any other Act or statutory instrument, to purchase electricity from the market operator for a regulated electricity system.

(2) For subsection (1):

20 (a) NTESMO is not required to make an application for the licence under section 15; and

(b) the Utilities Commission is not required to have regard to any matter under section 16; and

25 (c) the licence must be granted for an indefinite period under section 18; and

(d) the Utilities Commission may grant the licence subject to conditions determined by the Utilities Commission in accordance with the other provisions of this Act; and

(e) the licence is not able to be transferred under section 33.

30 (3) Subject to any exception prescribed by regulation, NTESMO is the only electricity entity that may be issued a licence to:

(a) be the system controller for a regulated electricity system; or

-
- (b) operate a wholesale electricity market for a regulated electricity system prescribed for subsection (1)(b).

13 Section 24 amended (Licence conditions – general)

- (1) Section 24(1)(a), (b), (c) and (d), at the end

5 *insert*

and

- (2) After section 24(1)(b)

insert

- 10 (ba) requiring compliance with the TEM Rules and codes, standards and other instruments applying under the TEM Rules (to the extent that it may be relevant); and

14 Section 25 amended (Licence conditions – licence authorising generating of electricity)

- (1) Section 25(1)(a)

15 *omit*

the system controller;

insert

a system controller or market operator; and

- (2) Section 25(1)(b), at the end

20 *insert*

and

- (3) Section 25(2)

omit, insert

- (2) This section does not limit:

25 (a) the matters that may be dealt with by the terms or conditions of a licence authorising the generation of electricity; or

(b) any provision made by the regulations or the TEM Rules that relates to gaining access to a regulated electricity system.

15 Section 26 amended (Licence conditions – licence authorising operation of an electricity network)

(1) Section 26(1)(a)

omit

5 the system controller

insert

a system controller or market operator

(2) Section 26(3)

omit, insert

10 (3) This section does not limit:

(a) the matters that may be dealt with by the terms or conditions of a licence authorising the operation of an electricity network; or

15 (b) any provision made by the regulations or the TEM Rules that relates to gaining access to a regulated electricity system.

16 Part 3, Division 3 heading amended

Part 3, Division 3, heading, after "**controller**"

insert

and market operator

20 17 Section 39 replaced

Section 39

repeal, insert

38A Functions and powers of market operator

25 (1) A market operator for a power system has the function of operating and administering a wholesale electricity market for the power system.

(2) The function mentioned in subsection (1) must be carried out in accordance with the TEM Rules.

(3) A market operator for a power system has, in carrying out the market operator's functions under this Act, the powers conferred by:

- (a) this Act; and
- (b) the regulations; and
- (c) the TEM Rules.

5

(4) Without limiting subsection (3), a market operator for a power system has, in carrying out the market operator's functions under this Act, power to issue directions to electricity entities that:

- (a) are engaged in the operation of the power system; or
- (b) contribute electricity to, or take electricity from, the power system.

10

(5) If an electricity entity refuses or fails to comply with a direction of a market operator, the market operator may:

- (a) take the action required by the direction or cause the action to be taken; and
- (b) authorise another person to take the action required by the direction on behalf of the market operator; and
- (c) give the electricity entity any further directions the market operator considers necessary to facilitate the taking of action by the market operator.

15

20

(6) Costs and expenses incurred in taking action or causing action to be taken under subsection (5) are recoverable from the electricity entity by the market operator as a debt in a court of competent jurisdiction.

25

39 Remuneration and charges

(1) Subject to any provision made by the TEM Rules, a system controller or market operator is entitled to impose and recover charges relating to any matter connected with the performance of its functions.

30

(2) A schedule of charges to be applied under subsection (1) must be approved by the Utilities Commission.

18 Section 40 amended (Obligation to preserve confidentiality)

(1) Section 40(1), after "A system controller"

insert

or market operator

5 (2) After section 40(2)(ab)

insert

(ac) the disclosure is authorised under the TEM Rules; or

(3) Section 40(3)

omit, insert

10 (3) If a person when giving information to a system controller or market
operator claims that the information is information referred to in
subsection (1), the system controller or market operator (as the
case may be) must, before disclosing the information, give the
15 person written notice of the proposed disclosure and the reasons
for the disclosure.

19 Section 43 amended (Price regulation by determination of Utilities Commission)

(1) Section 43, before "The"

insert

20 (1)

(2) Section 43, at the end

insert

(2) This section does not apply to charges under section 39.

20 Section 108 amended (Protection from liability)

25 (1) Section 108(3)(a)

omit, insert

(a) a system controller or market operator;

(2) After section 108(3)(b)

insert

(ba) a person referred to in section 38A(5) when exercising a power or performing a function under section 38A;

5 (3) Section 108(3)(c)

omit

Division 5.

insert

Division 5;

10 (4) After section 108(3)(c)

insert

(d) a person acting under an authorisation given by a system controller or market operator.

21 Part 14 inserted

15 After section 122

insert

Part 14 Transitional matters for Electricity Legislation Amendment (Market Reform) Act 2025

123 Definitions

20 In this Part:

amending Act means the *Electricity Legislation Amendment (Market Reform) Act 2025*.

commencement means the commencement of section 9 of the amending Act.

25 124 Transfer of functions

(1) The functions of the Power and Water Corporation as a market operator or system controller in relation to a regulated electricity system immediately before the commencement are transferred to NTESMO.

(2) NTESMO may, in relation to a function transferred under subsection (1), adopt any determination, decision or direction of the Power and Water Corporation in force before the commencement.

5 (3) A determination, decision or direction adopted under subsection (2) continues in force and effect as if it were a determination, decision or direction of NTESMO.

10 (4) Any charges approved under section 39 in relation to a function transferred under subsection (1), as in force immediately before the commencement, may be imposed and recovered by NTESMO on and after the commencement until new charges are approved under section 39, as inserted by the amending Act.

125 **Licence conditions**

15 (1) Any change to a condition of a licence required to be made by the Utilities Commission on account of the amendment of this Act by Part 3 of the amending Act may be made at any time within 6 months after the commencement.

(2) In the event of an inconsistency between a condition of a licence and a provision of this Act as amended by the amending Act, the condition will not have effect to the extent of the inconsistency.

20 **Part 4 Stage 3 amendments**

Division 1 Electricity Reform Act 2000

22 Act amended

This Division amends the *Electricity Reform Act 2000*.

23 Section 4 amended (Interpretation)

25 (1) Section 4(1), definition **System Control Technical Code**
omit

(2) Section 4(1)

insert

approved project, see section 4A.

30 **approved RESIP** means a RESIP approved by the Minister under section 40M.

PAIR Panel, see section 40H(1).

RESIP, see section 40G.

24 Section 4A inserted

After section 4

insert

5 **4A Approved projects**

An **approved project** is a project classified as an approved project by or under:

- (a) the regulations; or
- (b) the TEM Rules.

10 **25 Part 3, Division 2A heading replaced**

Part 3, Division 2A, heading

omit, insert

Division 2A Network Technical Code

26 Sections 37B to 37E repealed

15 Sections 37B to 37E

repeal

27 Section 37H amended (Distribution of Network Technical Code)

(1) Section 37H(a)

20 *omit, insert*

(a) the Utilities Commission and NTESMO; and

(2) Section 37H(b), (c) and (d), at the end

insert

and

25 **28 Section 37K amended (Sections repealed)**

(1) Section 37K(1)(a), (b) and (c) and (4)

omit

(2) Section 37K(3)

omit

System Control Technical Code or

29 Section 38 amended (Functions and powers of system controller)

(1) Section 38(1A) and (2)

omit, insert

(1A) The function mentioned in subsection (1) must be carried out in accordance with the TEM Rules.

(2) A system controller for a power system has, in carrying out the system controller's functions under this Act, the powers conferred by:

(a) this Act; and

(b) the regulations; and

(c) the TEM Rules.

(2A) Without limiting subsection (2), a system controller for a power system has, in carrying out the controller's functions under this Act, power to issue directions to electricity entities that:

(a) are engaged in the operation of the power system; or

(b) contribute electricity to, or take electricity from, the power system.

(2) Section 38(3)

omit

(2)(a)

insert

(2A)

30 Section 40A amended (Rule making power)

(1) Section 40A(2)(e)

omit, insert

5

(e) provide for the coordinated planning, authorisation and implementation of projects, which may, if the TEM Rules so provide:

(i) be subject to the operation of a RESIP; and

(ii) require approval under the TEM Rules; and

(2) Section 40A(3)

10

omit, insert

(3) For subsection (2)(d) and (e) (but without limiting any other provision), the TEM Rules may provide for:

15

(a) requirements and processes regulating the development, implementation or administration of a RESIP, including as to any industry consultation process envisaged by Division 3B; and

20

(b) any matter related to the role of a PAIR Panel, NTESMO or other entities in relation to any procurement process, investment decision or undertaking under or in connection with a RESIP; and

(c) any other assessment or approval process connected with gaining access to a regulated electricity system.

31 Section 40B amended (TEM Rules – related provisions)

After section 40B(1)(c)(ii)

25

insert

(iia) a PAIR Panel; or

32 Part 3, Division 3B inserted

After section 40E

insert

Division 3B Regulated Electricity System and Investment Plans

5 Subdivision 1 Preliminary matters

40F Reference to regulated electricity system

For this Division, a reference to a regulated electricity system includes a reference to part of a regulated electricity system.

40G Nature and objects of Plan

10 (1) A Regulated Electricity System and Investment Plan (a **RESIP**) is a plan for the coordinated and efficient development of one or more regulated electricity systems.

(2) The objects of a RESIP include:

15 (a) to improve the affordability, reliability and security of electricity supply; and

(b) to coordinate and plan future investment in electricity generation, transmission or distribution networks, or storage facilities, and related electricity infrastructure and electricity services, with respect to a regulated electricity system; and

20 (c) any other objects prescribed by regulation or specified by the TEM Rules.

(3) To achieve those objects, a RESIP may include provisions with respect to:

25 (a) planning the development of a regulated electricity system to ensure the maintenance of adequate capacity and reliability while maintaining power system security in the most economical manner; and

30 (b) providing a development pathway for a regulated electricity system, and setting outcomes and requirements in relation to the development or improvement of a regulated electricity system; and

(c) guiding and regulating the procurement of infrastructure and services required for the maintenance or improvement of a regulated electricity system; and

- (d) any other matter:
- (i) determined or approved by a PAIR Panel to be necessary or convenient for advancing the objects of a RESIP; or
 - (ii) prescribed by regulation; or
 - (iii) specified by the TEM Rules; or
 - (iv) determined or approved by the Minister.

Subdivision 2 Planning and Investment Review Panels

40H Establishment of Panel

- (1) A Planning and Investment Review Panel (a **PAIR Panel**) is to be established in relation to each RESIP.
- (2) The Minister may, in writing, establish a PAIR Panel for a RESIP.
- (3) A PAIR Panel has the following functions:
- (a) to oversee the development of a RESIP, including so as to approve one or more aspects of the RESIP at points or stages specified by this Division or the TEM Rules;
 - (b) to identify infrastructure and services that should be recommended to the Minister for approval under this Division;
 - (c) to oversee the procurement of infrastructure and services, including by making procurement and investment decisions specified by the TEM Rules;
 - (d) to provide advice to the Minister in connection with matters specified by this Division or the TEM Rules, or at the request of the Minister;
 - (e) to perform other functions conferred by:
 - (i) this Division; or
 - (ii) the regulations; or
 - (iii) the TEM Rules.

40J Constitution of Panel

- (1) A PAIR Panel established by the Minister is to be constituted by the following members appointed by the Minister:
- 5 (a) one or more persons appointed to represent the interests of the Northern Territory Government;
- (b) a person nominated by NTESMO;
- (c) a person nominated by Power and Water Corporation if it is a network provider for the regulated electricity system, or a regulated electricity system, to which the RESIP relates;
- 10 (d) one or more persons with independent industry expertise;
- (e) any other person or persons considered by the Minister to have expertise that will assist the Panel in the performance of its functions.
- (2) The regulations may specify any matter necessary or convenient for a PAIR Panel, including:
- 15 (a) the term of office of a member of a panel; and
- (b) the terms and conditions on which a person may be appointed; and
- (c) the procedures of a panel and other matters relating to how a panel should approach the performance of its functions; and
- 20 (d) a scheme for the declaration by a member of a panel of any interest that may be relevant to the functions or powers of the panel; and
- (e) the circumstances in which a member of a panel must not act in relation to a matter because of a conflict, or potential or perceived conflict, of interest.
- 25 (3) A member of a PAIR Panel is, at the expiration of a term of office, eligible for reappointment.
- (4) The Minister may, at any time, reconstitute or suspend the members of a PAIR Panel (including by removing or replacing members whose terms of office have not expired), depending on the stage that has been reached in the development or implementation of the RESIP and the current and future activities of the panel under the RESIP
- 30 (5) The same members may constitute more than one PAIR Panel.
- 35

Subdivision 3 Initiation, development and approval of Plan

40K NTESMO to initiate RESIP process

- 5
- (1) NTESMO must commence the processes associated with the development of a RESIP in accordance with the requirements of the TEM Rules.
- (2) NTESMO must give the Minister written notice of a decision to take action under subsection (1).
- (3) A notice under subsection (2) must:
- 10
- (a) be given in accordance with the TEM Rules; and
- (b) comply with any requirements specified by the TEM Rules; and
- (c) be accompanied by any information required by the TEM Rules.
- 15
- (4) The Minister must, on receipt of a notice under this section, establish a PAIR Panel.

40L Consultation and endorsement of draft Plan

- (1) In connection with the development of a RESIP, NTESMO must:
- 20
- (a) undertake an industry consultation process about:
- (i) the methodology that should be adopted by the proposed RESIP in relation to the matters specified by the TEM Rules; and
- (ii) the inputs, assumptions and scenarios that should be used in the development of the RESIP; and
- 25
- (iii) any other matters specified by the TEM Rules or considered relevant by NTESMO; and
- (b) consult with the PAIR Panel to the extent specified by the TEM Rules, including so as to gain the approval of the panel before proceeding to the next stage.
- 30
- (2) On receiving the advice and approval of the PAIR Panel under subsection (1)(b), NTESMO must:
- (a) prepare a preliminary draft of the RESIP, to the extent that is relevant to system planning, based on that advice; and
- (b) undertake an industry consultation process on the draft.

(3) At the conclusion of the industry consultation process under subsection (2)(b), NTESMO must:

(a) make any changes to the draft RESIP that it thinks appropriate; and

5 (b) provide to the PAIR Panel:

(i) the draft RESIP; and

(ii) the information specified by the TEM Rules.

(4) On receiving the draft RESIP and information under subsection (3)(b), the PAIR Panel:

10 (a) may endorse the draft RESIP after making amendments that the panel thinks appropriate; and

(b) must, in connection with endorsing a draft RESIP:

15 (i) identify the infrastructure and services that, in the opinion of the panel, should be procured, having regard to the system planning set out in the draft RESIP and any matter specified by the TEM Rules; and

(ii) determine the most appropriate process or processes for procuring that infrastructure and those services (subject to a determination of the Minister under section 40M).

20 (5) The PAIR Panel must then submit to the Minister:

(a) the draft RESIP as endorsed by the panel; and

(b) a report on:

(i) the infrastructure and services identified under subsection (4)(b)(i); and

25 (ii) the procurement process or processes determined by the panel to be most appropriate under subsection (4)(b)(ii).

40M Approval

30 (1) On receiving the draft RESIP and report of a PAIR Panel under section 40L, the Minister may, if the Minister is satisfied that it is appropriate to do so:

(a) approve the RESIP; and

(b) determine and approve:

- (i) the infrastructure and services that will be procured on account of the RESIP; and
- (ii) the process or processes to be used for the procurement of the infrastructure and services.

5

(2) The PAIR Panel must make any changes to the RESIP that it considers appropriate after taking into account the determination of the Minister under subsection (1).

(3) A copy of the approved RESIP must then be published on NTESMO's website in accordance with the TEM Rules.

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Subdivision 4 Implementation of plan

40N Responsibilities under Plan

(1) Subject to subsection (2), on the approval of a RESIP under Subdivision 3:

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(a) the procurement of infrastructure and services, and the delivery of any relevant services, must be undertaken in accordance with:

- (i) the approved RESIP; and
- (ii) the TEM Rules; and

20

(iii) in the case of the procurement – any other requirements specified by the PAIR Panel; and

(b) any other requirements and functions that are required to ensure that the approved RESIP is implemented, and other relevant matters, must be undertaken in accordance with the TEM Rules.

25

(2) The TEM Rules may provide for an exemption or exemptions from the requirements of subsection (1).

40P Access to regulated electricity system subject to RESIP

(1) On the approval of a RESIP under Subdivision 3, a person may only gain access to a regulated electricity system to which the approved RESIP applies for new electricity generation, transmission or distribution networks, or storage facilities, or with respect to electricity infrastructure or electricity services, if:

30

- 5
- (a) the undertaking required to gain access is classified as an approved project; and
 - (b) the person is an approved entity under the TEM Rules; and
 - (c) if required by the TEM Rules – any procurement or other processes specified in the RESIP are undertaken in accordance with the RESIP and the TEM Rules.
- 10
- (2) The regulations or the TEM Rules may provide for an exemption or exemptions from the requirements of subsection (1) including by setting minimum thresholds or other levels below which subsection (1) does not apply.

40Q Requirement to carry out project or work or to provide services

- 15
- (1) This section applies if an approved RESIP requires a designated entity to carry out a project or other work, or to provide any services, specified in the RESIP.
- (2) The designated entity must comply with the requirements specified in the RESIP.
- 20
- (3) The RESIP may, in connection with a requirement to which this section applies, grant an exemption, or specify a modified process, that is to apply in relation to any matter otherwise required under the RESIP.
- (4) The requirements and other provisions of the RESIP that are relevant to the operation of this section must be consistent with any provision made by the TEM Rules for this section.
- 25
- (5) In this section:

designated entity means:

- (a) Power and Water Corporation; or
- (b) any other person or body prescribed by regulation to be a designated entity.

30 **Subdivision 5 Related matters**

40R Information

- 35
- (1) For this Division, NTESMO, a PAIR Panel or another body specified by the TEM Rules (a ***designated authority***) may, by written notice, require a relevant entity to give to the designated authority, within a time specified in the notice, the information specified in the notice.

(2) A designated authority must, in acting under subsection (1), take into account any guidance or requirement specified by the TEM Rules.

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(3) A relevant entity may request the designated authority to grant an extension of time for complying with a notice under subsection (1).

(4) The designated authority must grant a request under subsection (3) unless the relevant authority considers that the request is unreasonable.

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(5) A relevant entity must comply with a request under this section within the time specified in the notice or extended under subsection (4).

(6) A person commits an offence if:

(a) the person is a relevant entity; and

(b) the person fails to comply with subsection (5).

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Maximum penalty: 500 penalty units.

(7) Strict liability applies to subsection (6).

(8) It is a defence to a prosecution for an offence against subsection (6) if the defendant has a reasonable excuse.

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(9) Part IIAA of the Criminal Code applies to an offence against subsection (6).

(10) In this section:

relevant entity means:

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(a) an entity that is engaged in the operation of a power system, or contributes electricity to, or takes electricity from, a power system; and

(b) a network provider; and

(c) any other entity that is:

(i) an electricity entity; or

30

(ii) an entity, or within a class of entities, prescribed by regulation for this definition.

40S Charges

- (1) This section applies to:
- (a) NTESMO; or
 - (b) another electricity entity specified by the TEM Rules.
- (2) Subject to any provision made by the TEM Rules, NTESMO or the other electricity entity is entitled to impose and recover charges in connection with the performance of functions under this Division.
- (3) A schedule of charges to be applied under subsection (2) must be approved by the Utilities Commission.

40T Amendment of RESIP

- (1) An approved RESIP may be amended from time to time in accordance with the TEM Rules.
- (2) An approved RESIP must be amended if so required under the TEM Rules.

40U Exceptions from operation of Division

This Division does not limit any procurement for the delivery of infrastructure or services authorised to be undertaken under the TEM Rules without the need:

- (a) to prepare or amend a RESIP; or
- (b) to comply with any other requirement under this Division specified by the TEM Rules.

33 Section 42 amended (Price regulation by determination of Utilities Commission)

Section 43(2), after "section 39"

insert

or 40S

34 Section 45 amended (Utilities Commission to monitor and advise on system capacity)

- (1) Section 45(1)(a), (c) and (e)

omit

(2) Section 45(1)(b), at the end

insert

and

(3) Section 45(1)(d)

5

omit

matters;

insert

matters.

35 Section 108 amended (Protection from liability)

10

(1) Section 108(3)(d)

omit

operator.

insert

operator;

15

(2) After section 108(3)(d)

insert

(e) a member of a PAIR Panel.

36 Sections 110A and 110B inserted

After section 110

20

insert

110A Authorisation for purposes of Competition and Consumer Act and Competition Code

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The following are specifically authorised by this Act for the purposes of section 51(1) of the *Competition and Consumer Act 2010* (Cth) and the Competition Code of the Territory:

- (a) conduct that limits connections to facilities and services relating to regulated electricity systems unless the connections form part of an approved project;

- 5
- (b) conduct undertaken under or in accordance with an approved RESIP;
 - (c) conduct involving entering into an agreement or arrangement under or in connection with an approved RESIP;
 - (d) conduct authorised by or under the TEM Rules;
 - (e) any other conduct prescribed by regulation.

110B Procurement Act 1995 does not apply

The *Procurement Act 1995* does not apply to any procurement or other step taken under:

- 10
- (a) the TEM Rules; or
 - (b) a RESIP; or
 - (c) section 40U.

Division 2 National Electricity (Northern Territory) (National Uniform Legislation) Act 2015

15 **37 Act amended**

This Division amends the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015*.

38 Schedule amended

Schedule 1, after clause 16B

20 *insert*

16C Section 157 modified

After section 157(7)

insert

- 25
- (8) This section does not apply in relation to conduct that is—
 - (a) authorised, required or regulated by—
 - (i) the Electricity Reform Act; or
 - (ii) the TEM Rules under the Electricity Reform Act; or
 - (iii) a RESIP under the Electricity Reform Act; or

(b) prescribed by a regulation made under section 13(3) of the application Act of this jurisdiction.

(9) In subsection (8)–

Electricity Reform Act means the *Electricity Reform Act 2000* (NT).

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Part 5 Repeal of Act

39 Repeal of Act

This Act is repealed on the day after it commences.

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