

# Draft Network Infrastructure Strategy

Consulting on a blueprint for transforming the NSW energy sector

## What is the Network Infrastructure Strategy?

The Energy Corporation of NSW (EnergyCo) is developing the Network Infrastructure Strategy (NIS) as an important new component of the NSW-wide system planning process that in turn sits within the NEM and its processes. EnergyCo has published this Draft NIS to introduce the strategy to stakeholders and consult with interested parties on its proposed scope and contents. Going forward, the NIS is proposed to be prepared every two years to support the Infrastructure Investment Objectives (IIO) Report and to ensure continuous improvement that reflects changes in the market.

## Key objectives of the Network Infrastructure Strategy



### Coordinated NSW-wide electricity infrastructure development

The NIS outlines a strategy, informed by engagement with interested parties, for the practical coordination of NSW electricity infrastructure (generation, storage and network infrastructure) in the long-term financial interests of NSW consumers. This will help inform the Consumer Trustee's IIO report and coordinated NSW-wide system planning. The NIS provides a set of potential Network Infrastructure Options for REZs and downstream augmentations within the existing shared network needed to achieve the objectives of the *Electricity Infrastructure Investment Act (EII Act)* and transfer REZ generation to households, businesses, and industry.



### Investor guidance

The NIS incorporates input from, and provides greater transparency to, investors, developers, and electricity infrastructure supply chains on potential network infrastructure options and timing, to drive down the cost of capital and achieve affordable, clean, and reliable electricity for NSW consumers.



### Meaningful engagement

The NIS outlines an approach for EnergyCo to work with all stakeholders to improve network infrastructure and generation planning so that it not only delivers benefits for NSW electricity consumers and opportunities for the NSW economy but maximises benefits for, and minimises impacts on, host communities.

## About EnergyCo

The Energy Corporation of NSW (EnergyCo) is a statutory authority established under the *Energy and Utilities Administration Act 1987* to lead the delivery of Renewable Energy Zones (REZs) and critical energy infrastructure as part of the NSW Government's Electricity Infrastructure Roadmap (the Roadmap). The Minister for Energy has appointed EnergyCo as the Infrastructure Planner for the Waratah Super Battery Project, the Hunter Transmission Project, and two of the first five NSW REZs set out in the *Electricity Infrastructure Investment (EII) Act 2020*. The EII Act also provides for the Minister to appoint EnergyCo as the Infrastructure Planner for the remaining three REZs. EnergyCo is coordinating the transformation to ensure it happens in an orderly manner and are leading strategic planning and consultation processes, so the new transmission infrastructure needed to realise the State's energy transition is developed in the right place, at the right time, to deliver affordable, clean, and reliable energy to the households and businesses of NSW.

# Alignment with National Framework

The NSW Government recognises that NSW sits within the broader National Electricity Market (NEM) and that transmission infrastructure development under the National Framework operates in parallel with the NSW framework. For this reason, joint planning of the NSW electricity network with Australian Energy Market Operator (AEMO) and the NSW network businesses is critical for shared success.

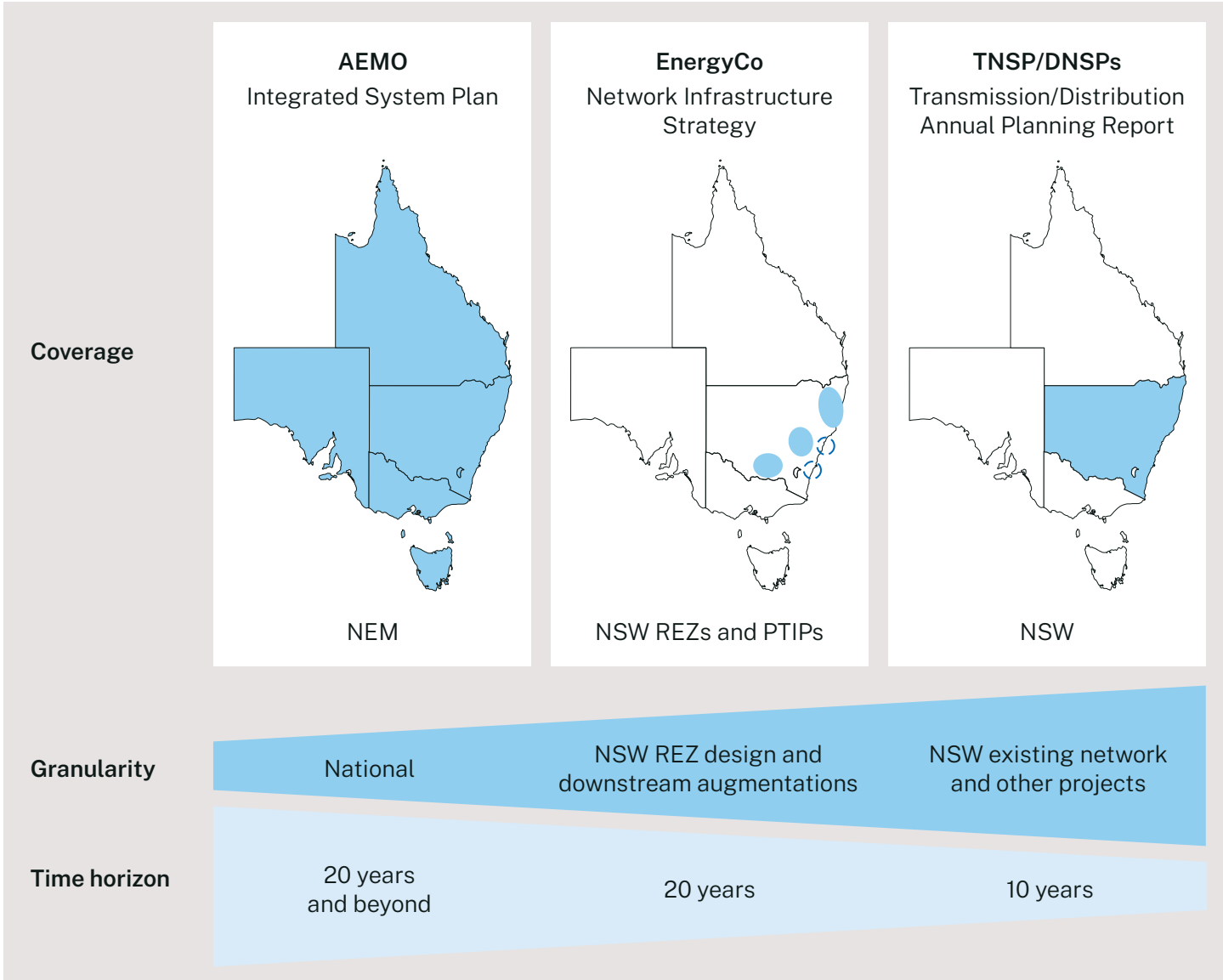
The NIS is a product of collaboration between EnergyCo and the Consumer Trustee, while maintaining their independence throughout the process. EnergyCo also seeks input for the NIS from AEMO as national transmission planner, Transgrid as NSW’s jurisdictional planning body for transmission, and the NSW distribution network businesses.

The NIS sits between AEMO’s Integrated System Plan (ISP) and annual network planning reports from Transgrid and the NSW distribution businesses.

The transmission options under the NIS focus on new expansions to support REZs in NSW. In doing so, the NIS adopts the NEM-wide context set out by AEMO and adopts the maintenance of the existing network and other network projects as provided by the NSW network service providers.

The NIS combined with the Consumer Trustee’s Infrastructure Investment Report will serve a similar purpose for NSW as AEMO’s ISP does for the wider NEM, while also ensuring that NSW meets the legislated objectives by 2030.

Through collaboration with AEMO and the NSW network businesses, the NIS and the Infrastructure Investment Objectives Report will build on, and maintain consistency with, the ISP and annual network planning reports.



# Industry consultation

The Draft Network Infrastructure Strategy (NIS) has been published [here](#).

In the Draft NIS EnergyCo has deliberately put forward ideas to stimulate feedback which will be used to shape the Final NIS –due to be released in 2023.

EnergyCo has also crafted a series of questions to help stakeholders form submissions over the consultation period.

To provide feedback on the Draft NIS, please send your submission to [contact@energyco.nsw.gov.au](mailto:contact@energyco.nsw.gov.au).

Additionally, EnergyCo will be hosting a webinar on 13 October 2022 to provide you with a better understanding of the draft strategy and provide an opportunity to give feedback.

For information on the webinar, or for a list of stakeholder questions, please visit the EnergyCo [website](#).

The consultation period closes on 28 October 2022.

1

**Draft NIS** is published in September 2022 to provide practically feasible Network Infrastructure Options for expanding transmission and distribution networks to deliver REZs and transfer generation to major load centres.

2

**Consultation period** with stakeholders on EnergyCo's approach to preparing the options and the technical, social and economic factors that shape REZ development, closing on Friday 21 October 2022.

3

**Final Report** is published in 2023 and outlines the schedule for REZ transmission development in NSW. It is published alongside the Consumer Trustee's updated optimal 20-year Development Pathway for electricity infrastructure in NSW.



Image courtesy of iStock. Farmers with laptop in field examining crops.





Image courtesy of iStock. Wind turbines.

## Contact us

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EnergyCo wants to hear what you think about our plans. For more information or to subscribe to our EnergyCo mailing list for regular updates, please scan the QR code or visit [energyco.nsw.gov.au](https://energyco.nsw.gov.au).

