Thursday, 6 August 2026

EnergyCo

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Attention: Ms Rachel Hayden

CEC submission to EnergyCo's proposed changes to the draft New England Renewable Energy Zone Access Scheme Declaration

Summary

The Clean Energy Council (CEC) is the peak body for the clean energy industry in Australia, representing nearly 900 leading businesses across renewable energy, energy storage, and renewable hydrogen. We are committed to accelerating Australia's transition to a clean energy future as rapidly as possible while maintaining a secure and reliable electricity supply for customers.

The CEC welcomes the opportunity to provide feedback on EnergyCo's draft New England REZ Access Scheme Declaration. CEC members were generally supportive of the changes proposed by EnergyCo that accommodate stakeholder feedback and concerns raised during the previous consultation processes. However; our members have raised specific concerns with the draft Access Consent assessment criteria, and specifically draft criterion 2.A they have requested we raise with EnergyCo. These proposed amendments would require applicants to be listed on the public register of the Australian Government's Developer Rating Scheme (DRS) or in assessment with Equifax and registered by the time the assessment outcome is announced as a 'Pass/Fail' condition of Access Consent. We understand these assessment criteria are intended to apply to applicants under both the Access Control Mechanism and the Access Rights Mechanism.

CEC and its members support the intent of the DRS and support, in principle, governments leveraging a single national assessment of developer capability rather than layering duplicative, jurisdiction-specific assessments onto project proponents. EnergyCo's stated rationale of avoiding a duplicative bespoke assessment for Access Consent.

However, the DRS is still in a testing phase, and industry is of the view that material improvements to the scheme are required to support broader industry participation - as such, criterion 2.A is premature. At the time of this submission, the public register is yet to be realised and only a small number of proponents are undergoing assessment. Through these

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early adopters, we are discovering the scheme's methodology, evidentiary requirements, assessment processes and data governance settings remain the subject of substantive unresolved industry concerns. CEC has been working collaboratively with DCCEEW and Equifax since their appointment as DRS operator in August 2025. CEC has produced and shared a detailed issue register with Equifax and with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) tracking 46 open or partially resolved issues across nine themes. Hard-wiring an untested, voluntary scheme into a mandatory market-access gate before the methodology and evidentiary requitements have been finalised and validated, transfers the scheme's unresolved design risk directly onto project eligibility and delivery timelines in the New England REZ.

In addition, CEC members were supportive of the proposed amendments to the savings and transitional provisions that would apply to projects that are not yet connected but are significantly progressed in their development. While members are supportive of the ability for the Minister for Energy to include specific terms in the final declaration to prevent adverse impacts on these substantially progressed parties, some concern remains that the two criteria may still be too restrictive and preclude significantly progressed projects.

Recommendations

1. Until such time the public register has been launched, and the evidentiary requirements and methodology have been finalised and has industry support, remove criteria 2.A.
2. Encourage EnergyCo to consult with significantly progressed projects on a one-to-one basis with a view to identifying project specific terms for inclusion in the final declaration to prevent adverse impacts on these parties.
3. The Draft Declaration consider a grace period or extend the exemption allowance to accommodate proponents seeking to obtain and execute a CIS or LTESA agreement by 31 December 2026 and consider a mechanism to free up capacity exempt under previous CIS tender rounds.
4. EnergyCo direct ASL to consider the impacts of any additional fees, particularly where advanced projects (including those connecting to existing network infrastructure) have made material contributions and commitments in the development of the access fee guidelines for the New England REZ.

Improving the DRS and generating industry adoption

Methodological concerns with the DRS

CEC's immediate concerns with the methodology are, in most cases, resolvable without any redrafting of the methodology or RFI through staffing decisions, published guidance, interpretive rulings, evidentiary flexibility and Letter of Engagement amendments.

CEC's foremost recommendation is a staffing decision: that Equifax employ a senior community engagement expert with direct clean energy or large-infrastructure experience, so that qualitative interviews play a meaningful role in determining engagement maturity rather than validating pre-determined, document-driven scores; alongside this, published guidance on how interviews are sequenced and influence scores, and on the subjective constructs in the maturity models ('trust', 'fair', 'genuine'), would materially improve assessment consistency.

A set of interpretive rulings would resolve the most acute probity concerns without touching the drafting: confining 'Key Person' to the executive leadership team rather than the 50–70 individuals the current definition is capturing, scoping officeholder profiles to the rated entity's

development activities, siloing retail-arm compliance matters for vertically integrated businesses and issuing definitions for the RFI's broad attestation terms.

CEC has previously raised the need to further evidentiary flexibility to address the disclosure barriers. For example, acceptance of published annual reports for listed entities, substitution of existing Moody's, Fitch or S&P credit ratings for financial disclosures, removal of board minutes from document requests, express exemptions for legally privileged due diligence material, redacted or summary-level evidence for confidential landholder and Traditional Owner agreements, and recognition of existing trust signals such as previous CIS and LTESA outcomes, development consents in engagement-mandating jurisdictions, operating projects and Best Practice Charter reporting – as primary evidence of delivery capability.

Finally, CEC has requested three Letter of Engagement amendments: removal of Equifax's rights to repurpose supplied data for aggregated industry analysis, extension of confidentiality protections from three years to at least ten, and realistic flexibility on initial documentation timeframes.

The deeper structural questions, that is, the single holistic rating architecture, recalibration of five-star benchmarks to demonstrated leading practice, rating validity periods, treatment of the Capital element, and a safe-harbour data set for each entity type – are appropriately tested at the first post-launch review, once the scheme has operating experience and a rated cohort against which design assumptions can be evaluated. CEC's position is that delivering the quick wins now is what will bring developers into the scheme; the structural review will then have real participation data to work with, rather than the current standoff in which unresolved design concerns and an empty public register reinforce each other.

Recent changes to RFI

CEC is pleased to see Equifax responding to industry feedback. The revised RFI schedule issued on 14 July 2026 contains genuine structural improvements that CEC acknowledges alternative evidence pathways, provision for reliance on publicly available information, assessment objectives stated against each request, and a more constructive framing of qualifications.

However, three problems substantially limit the value of these changes. First, every flexibility mechanism in the revised schedule operates at the discretion of the Lead Analyst rather than as an entitlement — a developer preparing a submission cannot know in advance whether an alternative evidence pathway will be accepted, which means the accommodations offered in response to industry feedback do not yet function as commitments that can be relied upon or planned against.

Second, the financial disclosure scope has expanded rather than contracted, with new requests concerning EPC disputes, revenue mix and off-balance-sheet arrangements, a direction in tension with the streamlining commitments previously given to industry and compounding existing concerns around broad attestation terms and group-entity scoping that remain without definitional guidance.

Third, and most significantly, the revised schedule embeds new evaluative standards for community engagement, including whether a developer 'permanently resolves' complaints and 'actively listens and adapts' within assessment objectives, despite these standards appearing nowhere in Methodology v1.2. Assessment criteria are, in effect, being introduced through an information request rather than through the methodology. This is a governance design question, not a drafting one: if the RFI can carry assessable standards the methodology does not contain, the methodology ceases to be a reliable statement of what developers will actually be assessed against. CEC is seeking confirmation that assessment will be conducted solely against Methodology v1.2, alignment of the RFI's assessment objectives to the published methodology, and publication of the conditions under which the

schedule's flexibility mechanisms will be exercised, so that discretion becomes predictable in practice.

Savings and transitional provisions

Through the consultation process for the New England REZ declaration process, EnergyCo has proposed several savings and transitional arrangements designed to protect projects already progressing through the connection process while ensuring fairness for new developments. Two of the primary positions clarified in the draft access scheme declaration and associated positions paper include:

- **Exemption for Existing Connections and Offers**: EnergyCo has clarified that projects that already have an existing connection or have received a formal offer to connect will be "saved" from the new requirements. These projects do not need to obtain an access right or seek EnergyCo's consent and will be permitted to retain their current connection status.
- **Treatment of "Significantly Progressed" Projects**: For projects that are not yet connected but are significantly progressed in their development, the consultation process has focused on creating fair options for their transition into the access scheme The positions paper to accompany the draft declaration indicates that the Minister for Energy may include specific terms in the final declaration to prevent adverse impacts on these substantially progressed parties.
- **Exemption of projects that have entered into an LTESA or CIS**: For projects that have entered into: (A) an LTES agreement; or (B) a CIS agreement (32.1(a)(iii) and 33.1(a)(iii)) respectively) by 31 December 2026, they are not required to apply for an access right or access consent.

Significantly progressed projects

Under the proposed access scheme for the New England REZ, a project is considered significantly progressed (also referred to as "well progressed") if it has made material development investments and met specific milestones in the planning or connection process.

To qualify for the early access arrangements reserved for these significantly progressed projects, a developer must meet one of the following two criteria by the date the access scheme is officially declared:

- **Connection Application**: The project must have submitted a complete and valid application to connect to Transgrid in accordance with clause 5.3.4 of the National Electricity Rules.
- **Environmental planning and assessment**: The project must have had its Environmental Impact Statement (EIS) published on the NSW Planning Portal for public consultation.

In addition to these milestones, significantly progressed projects seeking early access must commit to a first commissioning date that occurs before the expected energisation of the new REZ network infrastructure, which is currently anticipated for 2032. This requirement ensures that projects are genuinely committed to construction prior to the delivery of the main REZ infrastructure.

The CEC is supportive of the proposed changes to the treatment of significantly progressed projects set out in the draft REZ access scheme declaration. However, we still consider there is a risk that some projects may have made material development investments (for example, finalisation of the community and benefit sharing arrangements with local authorities and/or

impacted land holders) but have not yet quite reached either of the criteria outlined above. As such, there is a risk that these projects will miss out on the early access pathway to connection and be required to apply for access rights under the declared REZ scheme.

To alleviate these concerns, the CEC would encourage EnergyCo to seek to identify and consult with significantly progressed projects on a one-to-one basis with a view to identifying project specific terms that acknowledge the material investment to date by the proponent that could be included in the final declaration and that would prevent any adverse impacts on these parties.

Secured CIS or LTESA by 31 December 2026

CEC notes that there are presently two LTESA and two CIS tenders underway and unannounced, including Generation LTESA Tender Round 8 (Q4 2026 announcement); LDS LTESA Tender Round 9 (Q4 2026 announcement); CIS Generation Tender Round 9 (November 2026 announcement); and CIS Dispatchable Capacity Tender Round 10 (December 2026 announcement).

While ASL has disclosed the expected announcement dates and/or targets upfront, ASL has discretion to amend the tender processes and timing. Furthermore, an announcement under some schemes (for example, the CIS) may amount to an announcement only and the successful tender proponent may not have formally signed and entered into the Project Documents. As such, we see a risk of proponents being CIS or LTESA recipients but not formally subject to the respective CIS or LTESA Agreement as is required under clauses 32.1(a)(iii) and 33.1(a)(iii)) of the Draft Declaration.

To address potential binary and/or threshold eligibility concerns, CEC recommends that the Draft Declaration consider a grace period or extend the exemption allowance to accommodate proponents undertaking these activities.

Treatment of projects that secured CIS or LTESA in previous tender rounds

CEC notes that the position paper accompanying the Draft Declaration does not identify how EnergyCo intends to address projects that get access rights or are grandfathered and subsequently face insurmountable problems. We consider this to be of particular risk to those projects that are exempt based on holding a CISA or LTESA obtained in previous tender rounds.

Considering the difficulties observed to date on projects that have been awarded a CIS moving through to final investment decision, the proposal to be connected prior to the first stage of the New England grid infrastructure being completed in 2032 appears insufficient. That is, there is a risk that capacity may be held up by projects that are not progressing rather than being recycled and utilised by projects able to supply the required capacity.

To ameliorate this concern, the CEC considers the regime could be amended to include intermediate milestones that these projects need to commit to, and a mechanism that enables EnergyCo or ASL to revoke the access rights of blocked projects, opening up capacity for further access right tenders for projects with better prospects. And to do so in a timely manner, rather than waiting till 2032.

Access Fees

Participation in an Access Payment Deed will require proponents to pay access fees. It is understood similar arrangements exist for the South-West REZ and Central West Orana REZ where the access fees are set by the Consumer Trustee (ASL) and intended to be published in future Access Fee Guidelines.

In relation to the New England REZ, where proponents are connecting to Transgrid's existing 132kV network, including those that are not incumbent or benefitting from the new REZ transmission infrastructure, it is requested that EnergyCo consider whether projects should be exempt from the requirements to pay access fees, or a proportionate approach be adopted.

As an example, the Central West Orana REZ Access Fee Guidelines include provision for a 'Base Fee' intended to go towards supporting community and employment programs, and initiatives. The total annual fees consist of $1,700/MW for community purposes, and $600/MW for employment purposes.[1]

Many projects connecting to existing infrastructure in the proposed New England REZ are well progressed and have entered, or are soon to, enter into Voluntary Planning Agreements with the respective Local Government Authority (LGA). These contributions go materially towards existing community and local outcomes and are co-designed with the LGA to achieve many of the same objectives that the aforementioned 'base fee' is intended to address.

CEC recommends that EnergyCo direct ASL to consult broadly in the development of the access fee guidelines for the New England REZ and consider the impacts of any additional fees, particularly where advanced projects, including those connecting to existing infrastructure, have already made material contributions and commitments.

Conclusion

CEC supports the direction of criterion 2.A: a single, national, independent assessment of developer capability is preferable to duplicative state-based regimes, and community engagement standards in REZs matter to the sector's social licence. The issue is sequencing. The DRS is still in active development and testing and not suitably defined to carry the weight of a mandatory access condition.

In addition, the CEC would encourage EnergyCo to further engage with connection applicants currently seeking access to the network likely to be covered by the New England access regime with a view to identifying project specific terms that acknowledge the material investment to date by the proponent that could be included in the final declaration and that would prevent any adverse impacts on these parties.

The CEC would welcome the opportunity to discuss this submission with EnergyCo, including briefing on the present status of industry engagement with DCCEEW and Equifax on DRS design. Further queries on the DRS elements of this submission can be directed to Nathan Hart at nhart@cleanenergycouncil.org.au, and in relation to the savings and transitional provisions or access fees to James Eastcott at jeastcott@cleanenergycouncil.org.au.

Kind regards

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[1] AEMO Services Consumer Trustee | Central-West Orana REZ - Access Fee Guidelines (Final Edition), May 2025, p.10.