

Instrument of variation of conditions of transmission operator's licence under the *Electricity Supply Act 1995* (NSW)

1 Variation of conditions of transmission operator's licence

I, Penny Sharpe, Minister for Energy, vary the Licence held by the Licence Holder in accordance with clause 7 of Schedule 2 to the *Electricity Supply Act 1995* (NSW) (the **Act**).

2 Commencement

This instrument of variation (**Instrument**) commences on **1 July 2025**.

3 Variation of Licence

3.1 The conditions of the Licence are varied by omitting the Previous Licence Conditions and substituting Schedule A.

3.2 Clause 3.1 of this Instrument does not:

- (a) revive anything not in force or existing at the time this Instrument takes effect,
- (b) affect the previous operation of the Previous Licence Conditions or anything done or begun under or in accordance with the Previous Licence Conditions, or
- (c) affect a right, privilege or liability acquired, accrued or incurred under the Previous Licence Conditions.

4 Definitions

In this Instrument:

Licence means the transmission operator's licence granted under section 93A of the *Electricity Supply Act 1995* to the Licence Holder to operate a transmission system that is a transacted transmission system under the *Electricity Network Assets (Authorised Transactions) Act 2015* effective on 16 December 2015 and as varied on 5 February 2019, 23 September 2022 and 15 September 2023, and by this Instrument.

Licence Holder means NSW Electricity Networks Operations Pty Limited (ACN 609 169 959) as trustee for the NSW Electricity Networks Operations Trust.

Previous Licence Conditions means all the conditions of the Licence existing immediately before the commencement of this Instrument.

SIGNED BY:

A handwritten signature in dark ink, appearing to be 'Penny Sharpe', with a long horizontal flourish extending to the right.

The Hon Penny Sharpe MLC
Minister for Energy

Date: 16/6/25

Schedule A

Ministerially Imposed Licence Conditions for the Operator of a Transmission System

This schedule provides a list of conditions which the Minister has determined to impose pursuant to clause 6(1)(b) of Schedule 2 of the *Electricity Supply Act 1995* (the **Act**) on the operator of a Transacted Transmission System under the *Electricity Network Assets (Authorised Transactions) Act 2015*.

In addition to ministerially-imposed conditions, licensees are subject to obligations imposed by the Act, Regulations and associated regulatory instruments which include (without limitation) an obligation to comply with requirements imposed by or under regulations made pursuant to section 5.6 of the *Environmental Planning and Assessment Act 1979*.

General Conditions

1 National Electricity Market registration

At all times this Licence is in force, the Licence Holder must ensure that it and all other network operators of its Transmission System:

- (a) are registered or exempt from the requirement to be registered as a Network Service Provider under the National Electricity Rules, or
- (b) hold any equivalent authorisation or right of participation in any national electricity market, granted by the person responsible for the granting of such an authorisation or right of participation under any legislation enacted for the purpose of introducing such a market.

2 Technical and prudential criteria

The Licence Holder must, for the duration of this Licence, ensure that it and all other network operators of its Transmission System satisfy the technical and prudential criteria that each entity is required to meet as a condition of its registration or exemption, or equivalent authorisation or right of participation in any national electricity market, referred to in condition 1.

3 Reliability and performance standards

The Licence Holder must ensure that it and all other network operators of its Transmission System comply with the Reliability and Performance Standard – Appendix A.

4 Business continuity and disruptions

- 4.1 The Licence Holder must have a documented system to ensure that it has adequate arrangements in place to identify, assess and manage business continuity risks and manage business disruptions relating to the operation of its Transmission System (a **Business Continuity Plan**).

- 4.2 The Licence Holder must ensure that it and any other network operator of its Transmission System implements and complies with the Business Continuity Plan.

5 Critical infrastructure

The Licence Holder must ensure that it and all other network operators of its Transmission System comply with the Critical Infrastructure Licence Conditions – Appendix B.

CONDITIONS RELATING TO MANAGEMENT SYSTEMS

6 Maintenance of certified management systems

6.1 The Licence Holder must have and maintain:

- (a) an asset management system that is consistent with the *Australian Standard AS ISO 55001 2014 Asset Management – Management Systems – Requirements* (as in force from time to time), or other standard approved by the Tribunal on request of the Licence Holder, and
- (b) an environmental management system that is consistent with *Australian/New Zealand Standard AS/NZS ISO 14001: 2016 Environmental Management Systems – Requirements with guidance for use* (as in force from time to time), or other standard approved by the Tribunal on request of the Licence Holder.

6.2 The Licence Holder must ensure that:

- (a) its asset management system is certified by an appropriately qualified person to be consistent with the *Australian Standard AS ISO 55001 - 2014 Asset Management - Management Systems - Requirements* (as in force from time to time), or other standard approved by the Tribunal on request of the Licence Holder, and
- (b) its environmental management system is certified by an appropriately qualified person to be consistent with the *Australian/New Zealand Standard AS/NZS ISO 14001:2016 Environmental Management Systems – Requirements with guidance for use* (as in force from time to time), or other standard approved by the Tribunal on request of the Licence Holder, and
- (c) the certification of its asset management system and environmental management system in accordance with conditions 6.2(a) and 6.2(b) is maintained for the duration of the Licence.

7 Implementation of management systems

The Licence Holder must ensure that its asset management system and environmental management system are fully implemented, and all relevant activities undertaken by it or any other network operator of its Transmission System are carried out in accordance with the relevant management system.

CONDITIONS RELATING TO COMPLIANCE, REPORTING AND FEES

8 Reporting in accordance with Reporting Manuals

The Licence Holder must prepare and submit reports in accordance with any Reporting Manuals issued by the Tribunal.

9 Complying with Audit Guidelines issued by the Tribunal

The Licence Holder must comply with any Audit Guidelines issued by the Tribunal.

10 Compliance management systems

The Licence Holder must ensure internal systems are developed and maintained that are capable of effectively managing compliance with its Licence.

11 Compliance with statistical operating obligations

The Licence Holder must provide to the Tribunal such operating statistics and performance indicators as may be required from time to time by the Tribunal. The Tribunal will provide the Licence Holder with reasons for its request when the initial request is made and after that when a request relates to operating statistics and performance indicators that are of a materially different type or category to that provided under the initial or subsequent request.

12 Information about compliance with Licence conditions

The Licence Holder must furnish to the Tribunal (at such times and in respect of such periods as the Tribunal may determine and in the manner and form specified by the Tribunal) such information as the Tribunal may determine, to enable the Tribunal to ascertain whether or not the Licence Holder is complying with these Licence conditions, the Act or the Regulations.

13 Compliance with audit directions

- 13.1 The Tribunal may at any time direct the Licence Holder, by written notice, to engage an Approved Auditor at the expense of the Licence Holder to conduct an audit of, and prepare a report on, the Licence Holder's compliance with conditions imposed on it by this Licence, the Act or Regulations (Approved Auditor's report).
- 13.2 The Licence Holder must comply with any direction issued by the Tribunal under condition 13.1.
- 13.3 The Licence Holder must provide the Approved Auditor's report to the Tribunal by the date specified in the direction issued by the Tribunal under condition 13.1.

14 Licence fees

- 14.1 It is a condition of this Licence that the Licence Holder pay such fees (annual or otherwise) in connection with the holding of the Licence as may be determined by the Minister from time to time.
- 14.2 The Licence Holder must pay the fees referred to in condition 14.1 in the manner and within the period specified by the Tribunal.

CONDITIONS RELATING TO STRATEGIC BENEFIT PAYMENTS

15 Strategic Benefit Payments

- 15.1 The Licence Holder must make payments in accordance with the Strategic Benefit Payment Guidelines in relation to each Eligible Project forming part of the Transmission System.
- 15.2 The Licence Holder must comply with the Strategic Benefit Payment Guidelines.
- 15.3 The Licence Holder must pay into its trust account established in accordance with clause 12 of Schedule 2 of the Act the amounts required to be paid into that trust account by the Strategic Benefit Payment Guidelines at the time required by the Strategic Benefit Payment Guidelines.

CONDITIONS RELATING TO EXTERNAL DISPUTE RESOLUTION

16 External dispute resolution scheme

- 16.1 Licence Holder must be a member of an External Dispute Resolution Scheme that deals with disputes and complaints between the Licence Holder and:
 - (a) the Licence Holder's customers,
 - (b) electricity consumers, and
 - (c) the community.
- 16.2 The Licence Holder must publish and maintain on its website a document that:
 - (a) explains the right to have a complaint or dispute referred to the External Dispute Resolution Scheme,
 - (b) lists the dispute resolution services provided by the External Dispute Resolution Scheme, and
 - (c) explains how to contact the External Dispute Resolution Scheme.

INTERPRETATION AND DEFINITIONS

17 Interpretation

In these Licence conditions, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa, and
- (b) headings are used for convenience only and do not affect the interpretation of these Licence conditions, and
- (c) a reference to a document includes the document as modified from time to time and any document replacing it, and
- (d) a reference to a person includes a natural person and any body or entity whether incorporated or not, and

(e) references to conditions are references to conditions in these Licence conditions.

18 Definitions

18.1 Expressions used in these Licence conditions that are defined in the Act or the Regulations have the meanings set out in the Act or the Regulations.

18.2 In these Licence conditions:

Act means the *Electricity Supply Act 1995*.

Approved Auditor means:

- (a) a person chosen from a panel of auditors approved by the Tribunal, or
- (b) an auditor otherwise approved by the Tribunal as being of reputable standing, suitably qualified and who is independent of the Licence Holder.

Audit Guidelines means any document setting out audit requirements associated with the Licence Holder which is prepared by the Tribunal and is available on its website at www.ipart.nsw.gov.au as amended from time to time.

Business Continuity Plan has the meaning given to it in condition 4.1.

Critical Infrastructure Licence Conditions means the conditions set out in Appendix B to these conditions.

Eligible Project has the meaning given in the Strategic Benefit Payment Guidelines.

External Dispute Resolution Scheme means:

- (a) the Energy and Water Ombudsman NSW, being an approved energy ombudsman scheme under the Act and any successor to that scheme,
- (b) another approved energy ombudsman scheme under the Act, or
- (c) a scheme nominated by the Licence Holder and approved by the Tribunal where the Tribunal is satisfied that the scheme:
 - (i) provides an independent dispute resolution service,
 - (ii) provides free access for consumers and members of the community, and
 - (iii) is consistent with the Commonwealth Benchmarks for Industry-based Customer Dispute Resolution (published March 2015)

Licence has the same meaning as 'Licence' in clause 4 of this Instrument.

Licence Holder has the same meaning as 'Licence Holder' in clause 4 of this Instrument.

Minister means the Minister responsible for administering the Act.

Regulations means regulations made under the Act.

Reliability and Performance Standard means the standard contained in Appendix A of this Licence.

Reporting Manual means any document setting out reporting requirements associated with the Licence Holder which is prepared by the Tribunal and is available on its website at www.ipart.nsw.gov.au as amended from time to time.

Strategic Benefit Payment Guidelines means the guidelines issued by the Minister from time to time under clause 6(2)(i)(i) of Schedule 2 of the Act.

Transacted Transmission System means a transacted transmission system under the *Electricity Network Assets (Authorised Transactions) Act 2015*.

Transmission System means the transmission system of which the Licence Holder is a network operator.

Tribunal means the Independent Pricing and Regulatory Tribunal of New South Wales established under the *Independent Pricing and Regulatory Tribunal Act 1992*.

Appendix A. Reliability and Performance Standard

A.1 Status of this standard

This standard is a reliability and performance standard issued by the Minister for the purposes of condition 3 of the Licence.

A.2 Interpretation

A.2.1 In this standard, where the terms below are italicised they have the corresponding meanings set out below:

Act means the *Electricity Supply Act 1995*.

Customer has the same meaning given to it in the Act.

Distribution System has the same meaning given to it in the Act.

Distributor has the same meaning given to it in the Act.

Expected Unserved Energy means the expected amount of energy that cannot be supplied, taking into account the probability and expected impact (including expected outage duration and forecast load) of the following:

- (a) failure of a single System Element,
- (b) double transformer failure, or failure of equivalent System Elements, and
- (c) double line failure, or failure of equivalent System Elements.

Inner Sydney means the inner metropolitan Transmission System, which is that part of the Transmission System constituted by:

- (a) cables 41 and 42,
- (b) the 330/132kV substations at Rookwood Road, Beaconsfield, Haymarket, Sydney North and Sydney South,
- (c) any future associated 330kV cables and 330/132kV substations, and
- (d) any of Ausgrid's 132k transmission network that links any of the above.

Level of Redundancy means:

- (a) for category 1 bulk supply points, a supply interruption may occur following the outage of a single system element,
- (b) for category 2 bulk supply points, a non-zero amount of load must be supplied following the outage of a single system element, and
- (c) for category 3 bulk supply points, a non-zero amount of load must be supplied following the outage of a single system element. In addition, for Inner Sydney, a non-zero amount of load must be supplied following the simultaneous outage of a single 330 kV cable and any 132 kV feeder or 330/132 kV transformer.

Licence means the Transmission Operator's Licence under the *Electricity Supply Act 1995* granted to NSW Electricity Networks Operations Pty Limited (ACN 609 169 959) as trustee for the NSW Electricity Networks Operations Trust dated 7 December 2015, or a licence that replaces it.

Licence Holder has the same meaning as under the Licence.

Minister has the same meaning as under the Licence.

Negotiated Load Connection Agreement means an agreement between the Licence Holder and a customer by which the customer is connected to the Transmission System and the services to be provided by the Licence Holder are to be negotiated between the parties.

RIT-T means the *Regulatory investment test for transmission and application guidelines 2010* published by the Australian Energy Regulator, or any replacement of that document from time to time.

Supply has the same meaning given to it in the Act.

System Element means:

- (a) a transmission circuit (a line or a cable),
- (b) a transformer,
- (c) a component of physical infrastructure other than a transmission circuit or transformer, or
- (d) network support arrangements, backup supply capability, or other measure that provides supply capacity.

Transmission System has the same meaning as under the Licence.

Tribunal has the same meaning as under the *Electricity Supply Act 1995*.

A.2.2 Headings and notes which appear in this standard are intended as an aide to usage only, and do not form part of this standard.

A.2.3 References to clauses in this standard are references to clauses of this standard, unless this standard expressly provides otherwise.

A.3 Requirement to design for a specified level of redundancy for each bulk supply point

Subject to clause A.5.1 of this standard, the Licence Holder must ensure that the Transmission System is designed such that, for each bulk supply point listed in the table in clause A.8 of this standard, the Transmission System achieves the Level of Redundancy category specified for that bulk supply point in the table in clause A.8 of this standard.

A.4 Requirement to design for a level of expected unserved energy for each bulk supply point

Subject to clause A.6.1 of this standard, the Licence Holder must ensure that the Transmission System is designed such that the annual Expected Unserved Energy in respect of a bulk supply point listed in the table in clause A.8 of this standard does not exceed the allowance for Expected Unserved Energy specified for that bulk supply point in the table in clause A.8 of this standard.

A.5 Flexibility in planning for the level of redundancy

A.5.1 The Licence Holder is not required to comply with clause A.3 of this standard in respect of a bulk supply point listed in the table in clause A.8 of this standard provided that:

- (a) the Licence Holder has developed and submitted to the Tribunal a plan regarding measures for altering the reliability of the supply capacity of the bulk supply point, and
- (b) that plan provides a greater net-benefit, using the cost-benefit methodology defined in the RIT-T, than the net-benefit of complying with clause A.3 of this standard, and

- (c) the Tribunal has advised the Licence Holder in writing that it is satisfied that the plan submitted under clause A.5.1(a) of this standard would, if implemented, be likely to provide a greater net-benefit than would be provided by the Licence Holder complying with clause A.3 of this standard in relation to the bulk supply point.

A.5.2 The Licence Holder must implement the plan within a time specified by the Tribunal to the Licence Holder, and such implementation must be to the reasonable satisfaction of the Tribunal.

A.5.3 For the avoidance of any doubt:

- (a) the Licence Holder may submit, from time to time, a proposed replacement for a plan referred to in clause A.5.1(a) of this standard, and
- (b) clause A.5.1(a) of this standard applies to such a plan in the same way that it would apply to the first plan submitted under that clause in relation to a bulk supply point.

A.5.4 Where the Tribunal has expressed satisfaction in writing under clause A.5.1(c) of this standard about a plan that relates to a bulk supply point or bulk supply points listed in the table in clause A.8 of this standard, the Licence Holder may advise the Tribunal in writing that it has elected not to implement the plan. If the Licence Holder so advises the Tribunal of such an election:

- (a) the Licence Holder is not required to implement the plan in question, despite clause A.5.2 of this standard, and
- (b) despite clause A.5.1 of this standard, the Licence Holder must comply with clause A.3 of this standard in respect of the bulk supply point or bulk supply points to which the plan in question relates, and
- (c) the Licence Holder's election not to implement the plan may not be reversed, unless the Tribunal provides its written consent for the reversal.

A.6 Flexibility in planning for the level of expected unserved energy

A.6.1 The Licence Holder is not required to comply with clause A.4 of this standard in respect of a bulk supply point listed in the table in clause A.8 of this standard provided that:

- (a) the Licence Holder has developed and submitted to the Tribunal a plan regarding measures for altering the reliability of the supply capacity of the bulk supply point, and
- (b) that plan provides a greater net-benefit, using the cost-benefit methodology defined in the RIT-T, than the net-benefit of complying with clause A.4 of this standard, and
- (c) the Tribunal has advised the Licence Holder in writing that it is satisfied that the plan submitted under clause A.6.1 of this standard would, if implemented:
 - (i) be likely to provide a greater net-benefit than would be provided by the Licence Holder complying with clause A.4 of this standard in relation to the bulk supply point, and
 - (ii) not result in a material reduction in the level of Expected Unserved Energy at any bulk supply point.

A.6.2 The Licence Holder must implement the plan within a time specified by the Tribunal to the Licence Holder, and such implementation must be to the reasonable satisfaction of the Tribunal.

A.6.3 For the avoidance of any doubt:

- (a) the Licence Holder may submit, from time to time, a proposed replacement for a plan referred to in clause A.6.1 of this standard, and
- (b) clause A.6.1 of this standard applies to such a plan in the same way that it would apply to the first plan submitted under that clause in relation to a bulk supply point.

A.6.4 Where the Tribunal has expressed satisfaction in writing under clause A.6.1(c) of this standard about a plan that relates to a bulk supply points or bulk supply points listed in the table in clause A.8 of this standard, the Licence Holder may advise the Tribunal in writing that it has elected not to implement the plan. If the Licence Holder so advises the Tribunal of such an election:

- (a) the Licence Holder is not required to implement the plan in question, despite clause A.6.1(c) of this standard, and
- (b) despite clause A.6.1 of this standard, the Licence Holder must comply with clause A.4 of this standard in respect of the bulk supply point or bulk supply points which the plan in question relates, and
- (c) the Licence Holder's election not to implement the plan may not be reversed, unless the Tribunal provides its written consent for the reversal.

A.7 Requirement to provide information to the Tribunal

A.7.1 The Licence Holder must comply with any request notified to the Licence Holder by the Tribunal for information that the Tribunal reasonably considers to be necessary or convenient for the Tribunal in monitoring the Licence Holder's compliance with this standard.

A.7.2 The Licence Holder must comply with a request under clause A.7.1 of this standard within a reasonable timeframe notified to the Licence Holder by the Tribunal.

A.7.3 If reasonably requested to do so by the Tribunal, the Licence Holder must commission an audit of its compliance with this standard (or specified aspects of this standard). Such an audit must be conducted:

- (a) by an auditor approved by the Tribunal in writing, and
- (b) at the expense of the Licence Holder, and
- (c) such that a report on the audit by the auditor is provided to the Tribunal within a reasonable timeframe notified to the Licence Holder by the Tribunal.

A.7.4 Subject to clause A.7.6 of this standard, at least 90 days before entering into any contract for the construction of a new Bulk Supply Point intended to form part of the Transmission System (or within a different timeframe proposed by the Licence Holder and agreed to in writing by the Tribunal), the Licence Holder must submit a proposal regarding the new Bulk Supply Point to the Tribunal. The proposal must:

- (a) propose a Level of Redundancy category that this standard should specify for the new bulk supply point, and
- (b) propose a level of Expected Unserved Energy that this standard should specify for the new bulk supply point, and
- (c) set out reasons in support of the Level of Redundancy category and level of Expected Unserved Energy proposed.

A.7.5 For the purposes of clauses A.7.4 and A.7.6 of this standard, Bulk Supply Point means one or more points of connection at a location where Supply is provided from the Transmission System to one or more Distribution Systems and/or one or more Customers directly connected to the Transmission System. For the purposes of this definition, where Supply is provided:

- (a) at the same voltage level through multiple points of connection at a particular location, those points of connection together constitute a single new bulk supply point, and
- (b) at different voltages through multiple points of connection at a particular location, each point of connection through which Supply is provided at a different voltage level constitutes a separate new bulk supply point.

[Note: New bulk supply points are generally located at the busbar(s) at Transgrid substations where there can be multiple individual connections to a Distribution System or directly connected customer. However, sometimes, new bulk supply points are where connections are made to Transgrid's transmission lines or cables at 'tee' connections or at busbars or substations owned by the Distributor or directly connected customer.]

An example of a single bulk supply point consisting of multiple points of connection through which supply is provided at the same voltage at a particular location is the points of connection of several distributor lines to the busbar(s) at a Transgrid substation.

An example of a separate bulk supply point existing for each point of connection through which supply is provided at a different voltage level is where supply is provided from higher voltage busbar(s) as well as lower voltage busbar(s) of a Transgrid substation.]

A.7.6 Clause A.7.4 of this standard does not apply to the Licence Holder in relation to a new Bulk Supply Point if:

- (a) a single customer to whom supply would be provided through the new bulk supply point is on a Negotiated Load Connection Agreement and is the sole party connected to the new bulk supply point, or
- (b) the Licence Holder and all the Distributors and Customers directly connected to the Transmission System to whom Supply would be provided through the new Bulk Supply Point agree, in writing, that the new Bulk Supply Point may, for the purposes of clause A.7.4 of this standard, be taken not to be a Bulk Supply Point, and

the Licence Holder keeps a record providing evidence of the agreement.

[Note: It is expected that clause A.7.6 of this standard would generally only apply in situations where:

- *the connection to the Distributor(s) and/or directly connected Customer(s) was at a 'distribution voltage' (e.g. 11kV or 22kV) to supply very small loads, and*
- *the Level of Redundancy or Expected Unserved Energy that would be proposed by the Licence Holder under clause A.7.4 of this standard, if it applied, could not be economically justified.]*

[Note: Once the Licence Holder submits a proposal to the Tribunal in accordance with clause A.7.4 of this standard, the Tribunal would consult on the proposal before making a recommendation to the Minister on listing the new bulk supply point in the table in clause A.8 of this standard as well as the specification of the redundancy category and unserved energy allowance.]

A.8 Table of values

	Redundancy category	Unserved energy allowance, maximum minutes per year at average demand
Inner City		
Beaconsfield West 132 kV	3	0.6 ^a
Haymarket 132 kV	3	
Rookwood Road 132 kV	3	
Sydney North 132 kV	3	

	Redundancy category	Unserviced energy allowance, maximum minutes per year at average demand
Sydney South 132 kV	3	
Other bulk supply points		
Albury 132 kV	2	14
ANM 132 kV	2	6
Armidale 66 kV	2	7
Beryl 66kV	2	5
Bomabee South 132 kV	2	18
Canberra 132 kV and Williamsdale 132 kV	2	3
Coffs Harbour 66 kV	2	10
Coleambally 132 kV	2	32
Cooma 66 kV	2	28
Cooma 132 kV	2	11
Cowra 66 kV	2	25
Dapto 132 kV	2	4
Darlington Point 132 kV	2	4
Deniliquin 66 kV	2	19
Finley 66 kV	2	12
Forbes 66 kV	2	19
Gadara (132 kV & 11 kV)	2	13
Glen Innes 66 kV	2	43
Griffith 33 kV	2	12
Gunnedah 66 kV	2	19
Holroyd 132 kV	2	24
Ingelburn 66 kV	2	5
Inverell 66 kV	2	40
Kempsey 33 kV	2	24
Koolkhan 66 kV	2	19
Liddell 330 kV	2	2
Lismore 132 kV	2	4
Liverpool 132 kV	2	5
Macarthur 132 kV and 66 kV	2	3
Macksville 132 kV	2	23
Manildra 132 kV	2	6
Moree 66 kV	2	5
Mount Piper 66 kV	2	19
Munmorah 132 kV	2	20
Murrumburrah 132 kV	2	19
Muswellbrook 132 kV	2	3
Nambucca 66 kV	2	65
Narrabri 66 kV	2	5
Newcastle 132 kV	2	2
Orange North 132 kV / Orange 132 kV and 66 kV	2	7
Panorama 66 kV	2	5
Parkes 132 kV	2	9
Parkes 66 kV	2	51
Port Macquarie 33 kV	2	14
Queanbeyan 66 kV	2	4
Raleigh 132 kV	2	32
Regentville 132 kV	2	13
Stroud 132 kV	2	21
Sydney East 132 kV	2	2
Sydney West 132 kV	2	1
Tamworth 66 kV	2	4
Taree 66 kV and 33 kV	2	15
Tenterfield 22 kV	2	79
Tomago 132 Note 3	2	13
Tomago 330 kV	2	14
Tuggerah 132 kV	2	13
Tumut 66 kV	2	13
Vales Pt 132 kV	2	3

	Redundancy category	Unserved energy allowance, maximum minutes per year at average demand
Vineyard 132 kV	2	1
Wagga 66 kV	2	33
Wagga North 132 kV	2	5
Wallerawang 132 kV	2	26
Wallerawang 66 kV	2	31
Waratah West 132 kV	2	3
Wellington 132 kV	2	6
Yanco 33 kV	2	41
Balranald 22 kV	1	115
Broken Hill 22 kV and Broken Hill 220 kV	1	10
Casina 132 kV	1	7
Dorrigo 132 kV	1	41
Hawks Nest 132 kV	1	42
Hérons Creek	1	17
Ilford 132 kV	1	14
Marulan 132 kV	1	10
Molong 66 kV	1	46
Morven 132 kV	1	33
Mudgee 132 kV	1	14
Munyang 33 kV	1	14
Murrumbateman 132 kV	1	49
Snowy Adit 132 kV	1	52
Wagga North 66 kV	1	42
Wellington Town	1	21
Yass 66 kV	1	22

a. Applies across all the *Inner Sydney*

Appendix B. Critical Infrastructure Licence Conditions

In addition to the conditions in this Appendix B, the Licence Holder may be subject to other statutory obligations, including under the Security of Critical Infrastructure Act 2018 (Cth).

B.1 Protocol with the Commonwealth Representative

- B.1.1 The Licence Holder may enter into a Protocol with the Commonwealth Representative.
- B.1.2 Where the Licence Holder has entered into a Protocol with the Commonwealth Representative and the Licence Holder is complying with the terms of that Protocol (including as varied in accordance with condition B.1.3), the Licence Holder is not required to comply with the following conditions to the extent provided for in the Protocol:
- (a) condition B.2.1,
 - (b) condition B.2.3,
 - (c) condition B.2.4, and
 - (d) condition B.3.1.
- B.1.3 The Licence Holder may vary a Protocol with the agreement of the Commonwealth Representative.
- B.1.4 The Licence Holder must provide a copy of any Protocol or varied Protocol to the Tribunal within 14 days of the Licence Holder and the Commonwealth Representative entering into a new or varied Protocol.

B.2 Substantial presence in Australia

Network maintenance

- B.2.1 Subject to conditions B.1 and B.2.2, the Licence Holder must take all practical and reasonable steps to ensure maintenance of the System is undertaken solely from within Australia.
- B.2.2 Despite condition B.2.1, the Licence Holder may acquire Components from outside Australia and conduct Physical Servicing of Components outside Australia for the purposes of maintenance of the System where:
- (a) it is not reasonably practicable to acquire the Components or conduct Physical Servicing of Components from within Australia, and
 - (b) each senior officer with Network Operations Responsibility or Operational Technology Responsibility approves the acquisition from, or Physical Servicing by, a specific person or Entity.

Network operation and control

- B.2.3 Subject to condition B.1, the Licence Holder must use best industry practice for electricity network control systems to ensure that:
- (a) the operation and control of the System, and all associated ICT Infrastructure, can only be accessed, operated and controlled from within Australia, and
 - (b) the System is not connected to any infrastructure (including any network) in a way that could enable a person outside Australia to control or operate the System in whole or in part.

B.2.4 Subject to condition B.1, the Licence Holder must notify the Commonwealth Representative of its intention to enter into an outsourcing arrangement in relation to any part of the operation or control of the System, including any associated ICT Infrastructure, before it takes steps to procure a contract for that purpose.

Network management

B.2.5 Subject to condition B.2.6, the Licence Holder must ensure that it has at least two Directors who:

- (a) are Australian citizens,
- (b) reside in Australia, and
- (c) either:
 - (i) hold a National Security Clearance, or
 - (ii) have been the subject of a Background Check:
 - (A) after 1 January 2025, and
 - (B) within the last 10 years.

B.2.6 If a Director who satisfied the requirements in condition B.2.5 vacates the position or ceases to satisfy any of the requirements in condition B.2.5:

- (a) in the case of condition B.2.5(a) or condition B.2.5(b), condition B.2.5(a) or condition B.2.5(b) (as the case may be) does not apply to the Licence Holder with respect to that Director position for a period of up to two months (or a longer period nominated by the Licence Holder and approved by the Tribunal), and
- (b) in the case of condition B.2.5(c), condition B.2.5(c) does not apply to the Licence Holder with respect to that Director position for a period of up to eight months (or a longer period nominated by the Licence Holder and approved by the Tribunal).

B.2.7 Subject to condition B.2.8, the Licence Holder must ensure that it has one or more senior officers with Network Operations Responsibility, Operational Technology Responsibility and Security Operations Responsibility who:

- (a) reside in Australia, and
- (b) either:
 - (i) hold a National Security Clearance, or
 - (ii) have been the subject of a Background Check:
 - (A) after 1 January 2025, and
 - (B) within the last 10 years.

B.2.8 If a senior officer referred to in condition B.2.7 vacates the position or ceases to satisfy any of requirements in condition B.2.7:

- (a) in the case of condition B.2.7(a), condition B.2.7(a) does not apply to the Licence Holder with respect to that senior officer position for a period of up to two months (or a longer period nominated by the Licence Holder and approved by the Tribunal), and
- (b) in the case of condition B.2.7(b), condition B.2.7(b) does not apply to the Licence Holder with respect to that senior officer position for a period of up to eight months (or a longer period nominated by the Licence Holder and approved by the Tribunal).

B.2.9 The Licence Holder must ensure that any Director, or senior officer referred to in condition B.2.7, who has undertaken a Background Check does not, based on the outcome of that Background Check, present a security risk to the operation and control of the System.

B.3 Data security

B.3.1 Subject to conditions B.1, B.3.2 and B.3.3, the Licence Holder must ensure that all Secure Data is:

- (a) held solely within Australia,
- (b) in the case of Secure Data (other than Load Data), only accessible from within Australia,
- (c) in the case of Operational Technology Information, only accessible by a Relevant Person who has been authorised by the Licence Holder, and
- (d) in the case of Secure Data (other than Operational Technology Information), only accessible by a:
 - (i) Relevant Person, or
 - (ii) person who has been authorised by the Licence Holder.

B.3.2 Condition B.3.1 does not prevent the Licence Holder from disclosing, holding, using or accessing Secure Data where reasonably required for any of the following purposes:

- (a) disclosing the information to a recognised stock exchange for it to be made publicly available in compliance with a binding obligation on the Licence Holder or an Associate,
- (b) complying with any Australian state, territory or Commonwealth law,
- (c) disclosing the information to the following persons to the extent necessary for them to provide services to the Licence Holder or an Associate:
 - (i) a financial, accounting, insurance, legal, regulatory or other adviser, or
 - (ii) auditors, insurers, security trustees and financiers (and each of their advisers),
- (d) disclosing the information to a prospective purchaser of any interest in the Licence Holder or any Associate, or of any interest in the main undertaking of operating the System, to the extent necessary to facilitate the purchase,
- (e) disclosing the information to participants, regulators, Commonwealth, State or Territory government agencies, and service providers in the electricity sector where disclosure of that information is:
 - (i) in the ordinary course of business,
 - (ii) in accordance with best industry practice, and
 - (iii) required by those persons to provide services or to perform functions, or
- (f) providing aggregated data that does not permit identification of any customer, Connection Points or a customer's demand characteristics.

B.3.3 Condition B.3.1 does not prevent the Licence Holder from disclosing, holding, using or accessing Secure Data in accordance with any:

- (a) arrangement that remains in force that was agreed to in writing by the Licence Holder and the Commonwealth Representative under the Licence before the Variation Date, or
- (b) approval that remains in force that was granted by the Tribunal under the Licence before the Variation Date.

B.4 Compliance with critical infrastructure provisions

B.4.1 The Licence Holder must, by 30 September each year:

- (a) prepare a compliance report on its compliance with conditions B.1 to B.3 for the preceding Financial Year,
- (b) ensure that an Approved Auditor has undertaken a comprehensive audit of the compliance report and prepared an audit report that meets the requirements of any applicable Audit Guidelines, and
- (c) prepare a certification in writing supported by a resolution of the Board that:
 - (i) the Licence Holder has complied with conditions B.1 to B.3 for the preceding Financial Year, or
 - (ii) if the Licence Holder has not complied with conditions B.1 to B.3 for the preceding Financial Year, details of:
 - (A) the nature and extent of each non compliance,
 - (B) the steps the Licence Holder has taken or is taking to remedy each non compliance and prevent further non compliance, and
 - (C) when it expects to achieve compliance.

B.4.2 The Licence Holder must provide the compliance report, audit report and certification referred to in condition B.4.1 to:

- (a) the Tribunal by 30 September each year, and
- (b) to the Commonwealth Representative upon their request or when directed to by the Tribunal.

B.5 Interpretation

B.5.1 Terms defined in the General Conditions to this Licence have the same meaning in this Appendix B, unless otherwise specified.

B.5.2 A reference to a condition in this Appendix B, is a reference to the condition within this Appendix B (as opposed to, for example, the General Conditions), unless otherwise specified.

B.5.3 The following terms have the corresponding meaning when used in this Appendix B:

Associate has the same meaning given to that term in the *Corporations Act 2001* (Cth).

Background Check means a background check that meets the requirements for a background check under section 9(3) of the *Security of Critical Infrastructure (Critical infrastructure risk management program) Rules (LIN 23/006) 2023* (Cth).

Board means the governing body of the Licence Holder however described.

Carrier has the meaning given by the *Telecommunications (Interception and Access) Act 1979* (Cth).

Commonwealth Representative means the First Assistant Secretary responsible for critical infrastructure security in the Commonwealth, or equivalent level and role in the agency with responsibility for critical infrastructure security or such other representative nominated by the Commonwealth Government.

Component means any part of the System that contains electronic processor capabilities, electronic storage of data or communications capability.

Connection Point means, in relation to the premises of a customer(s), the point of connection to an electrical installation supplying electricity to the premises as determined in accordance with the Service and Installation Rules of New South Wales, as in force from time to time, published by the NSW Department of Climate Change, Energy, the Environment and Water.

Director means a member of the Board of the Licence Holder.

Entity has the same meaning as under section 64A of the *Corporations Act 2001* (Cth).

Financial Year means the period commencing on 1 July and ending the following 30 June.

ICT Infrastructure means the information and communications technology equipment, systems, firmware and software directly supporting the Operational Technology environment used for the control of the supply of electricity.

Load Data means data as to the quantum of electricity delivered, both historical and current load demand from or to any one or more sites, or their Connection Points, which satisfies all of the following criteria:

- (a) it is not historical data older than 30 days,
- (b) it is not fault data,
- (c) it describes a location that allows a customer or Connection Point to be identified,
- (d) it describes the date and time of the data record,
- (e) it describes a magnitude which comprises a voltage of at least 330 kV and energy of at least one Terawatt hour, and
- (f) it describes the duration for which a quantum of electricity was delivered.

National Security Clearance means a clearance of not less than Negative Vetting Level 1 (or equivalent) issued by the Australian Government Security Vetting Agency.

Network Operations Responsibility means being responsible for:

- (a) the day-to-day operation, monitoring and maintenance of the System, and
- (b) directing the operational planning, management, control and security of the System.

Operational Technology means technology that directly controls or monitors devices on the System, including:

- (a) the supervisory control and data acquisition (SCADA) master stations and management systems (where they have operational control functionality of the System) and other associated systems that directly control primary equipment on the System, and
- (b) the ICT Infrastructure used by the systems referred to in paragraph (a) to operate or monitor the devices these systems control.

Operational Technology Information means all information about the Operational Technology for example, design specifications and operating manuals.

Operational Technology Responsibility means being responsible for:

- (a) delivering the Operational Technology to safely and reliably operate the System,
- (b) developing and implementing strategies to manage cyber security and other threats affecting the Operational Technology, and
- (c) developing systems for effectively managing assets remotely, including but not limited to network switches, condition monitoring and remote interrogation or operation of protection systems and relays.

Physical Servicing means the inspection or adjustment of Components of the System or Components held in inventory for the purpose of maintenance or upgrade, including the removal and reinstallation of Components for inspection or adjustment.

Protocol means a document agreed between the Commonwealth Representative and the Licence Holder, which may set out:

- (a) the specified purposes and circumstances in which the acquisition and maintenance of Components that form part of the System may be conducted offshore,
- (b) the methodology and activities to be undertaken to allow for maintenance and repairs of Components that form part of the System to be carried out involving remote access from offshore,
- (c) the specified purposes and circumstances in which Secure Data may be held offshore and accessed,
- (d) the exceptional circumstances in which the protocol applies,
- (e) the specific circumstances in which the Licence Holder is not required to comply with conditions B.2.1, B.2.3, B.2.4, and/or B.3.1 and any requirements that apply instead of those conditions, and
- (f) the activities and processes which achieve requisite levels of cybersecurity.

Relevant Person means:

- (a) the Licence Holder,
- (b) a network operator of the System, or
- (c) any person who is contracted or subcontracted, and approved, by the Licence Holder to work on the System.

Secure Data means:

- (a) Operational Technology Information,
- (b) Load Data relating to, or obtained in connection with, the operation of the System by a Relevant Person, and
- (c) Third Party Data that the Licence Holder stores or processes indirectly because a Carrier or another person transferred the Third Party Data using the Licence Holder's infrastructure.

Security Operations Responsibility means being responsible for:

- (a) approving the Licence Holder's personnel or other nominated personnel to access the Licence Holder's information systems or physical access to the Licence Holder's premises and associated infrastructure,
- (b) personnel security, and
- (c) managing relationships with Commonwealth and state government agencies for the purposes of paragraphs (a) and (b).

System means the Transmission System referred to in this Licence.

Third Party Data means:

- (a) communications, within the meaning of the *Telecommunications (Interception and Access) Act 1979* (Cth), and
- (b) closed-circuit television footage.

Variation Date means the Instrument of Variation of Conditions of Transmission Operator's Licence commencing 1 July 2025 which amends the Licence.