

NSW Government grants ACEREZ transmission operator's licence for Central-West Orana REZ

September 2024

The state's first Renewable Energy Zone (REZ) is one step closer to delivering electricity into the grid after ACEREZ Partnership (ACEREZ) was granted a transmission operator's licence for the Central-West Orana REZ transmission system.

ACEREZ, a consortium of Acciona Concesiones, Cobra and Endeavour Energy, was selected by the Energy Corporation of NSW (EnergyCo) as the preferred network operator to deliver the Central-West Orana REZ transmission system, following a rigorous competitive tender.

The Minister for Energy Penny Sharpe granted the licence, which will enable ACEREZ to design, construct, own and operate the Central-West Orana REZ transmission system, which will connect renewable energy projects within the REZ to the existing Newcastle, Sydney and Wollongong load centres.

When operational, the Central-West Orana REZ transmission system will unlock 4.5 gigawatts of network capacity, allowing generation and storage projects to connect at scale. This is expected to deliver \$3 billion in net benefits for NSW energy consumers, drive \$20 billion in regional investment and support 5000 jobs during peak construction.

The Central-West Orana REZ is a vital component in the government's Roadmap to powering the state with affordable, clean and reliable energy.

The decision follows the Independent Pricing and Regulatory Tribunal's (IPART) recommendation to the Minister for Energy on ACEREZ's application for the licence, published in its final report.

In granting the licence, the Minister included several licence conditions, some unique to ACEREZ, which were recommended by IPART and developed in response to public consultation, including consultation with the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW), EnergyCo and ACEREZ. These are intended to support safe and reliable operation of the Central-West Orana REZ transmission system. An important condition to support social licence is a requirement for ACEREZ to become a member of an external dispute resolution scheme.

A copy of the ACEREZ [transmission operator's licence](#), along with IPART's [final recommendation report](#), are available on the IPART website.

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BACKGROUND

About the Electricity Infrastructure Roadmap

The Electricity Infrastructure Roadmap (Roadmap) is NSW's pathway to powering the state with affordable, clean and reliable energy for everyone. It sets out how we are transitioning the electricity network to one that will keep the lights on and put downward pressure on energy prices for years to come. The Roadmap will support the delivery of at least 12 gigawatts of new renewable energy generation and 2 gigawatts of long-duration storage by 2030.

About EnergyCo

The Energy Corporation of NSW (EnergyCo) leads the design, delivery and coordination of Renewable Energy Zones (REZs) and priority transmission in a way that benefits consumers, investors and regional communities. This includes the new transmission lines infrastructure required to connect generation projects within each Renewable Energy Zone with the electricity grid.

About the Independent Pricing and Regulatory Tribunal

The Independent Pricing and Regulatory Tribunal (IPART) is an appointed regulator under the Roadmap to help NSW electricity consumers get safe and reliable services at a fair price. Alongside its regular duties, IPART is responsible for undertaking performance audits of the entities delivering the Roadmap and prepares an annual report on the exercise of Roadmap functions by the Consumer Trustee, the Financial Trustee, the Infrastructure Planner and the Regulator.

Going forward, IPART is also responsible for monitoring for compliance by ACERERZ with the transmission licence in the Central-West Orana REZ.

About ACERERZ

ACERERZ, a consortium comprising Acciona Concesiones, Cobra and Endeavour Energy, was selected by the Energy Corporation of NSW (EnergyCo) as the preferred network operator to deliver the Central-West Orana REZ transmission system. following a competitive tender process. EnergyCo entered into a commitment deed with ACERERZ in December 2023.